UNIVERSITY of ALASKA

Many Traditions One Alaska

Proposed

FY28 Operating Budget

UA Board of Regents
November 5-6, 2026

Approved by BOR 11.06.26

Prepared by: University of Alaska System Office of Strategy, Planning, and Budget
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University of Alaska
Proposed FY28 Operating Budget Summary
(in thousands of $)

	Unrestr'd General Funds (UGF)	Designated, Federal and Other Funds	Total Funds
FY27 Operating Budget[1]	**364,407.7**	**801,196.6**	**1,165,604.3**
Adjusted Base Requirements			
Compensation Cost Increase[2]	**11,799.4**	**5,477.1**	**17,276.5**
Salaries and Benefits	5,965.2	4,011.3	9,976.5
Healthcare	5,834.2	1,465.8	7,300.0
Operating Cost Increases	**10,371.9**	**5,549.1**	**15,921.0**
Cybersecurity & IT	2,698.5	956.5	3,655.0
Facilities Operations & Maintenance	2,190.0	2,000.0	4,190.0
Utilities	3,235.4	670.6	3,906.0
Custodial Contracts		1,500.0	1,500.0
Public Safety	1,548.0	172.0	1,720.0
Risk Management	700.0	250.0	950.0
Adjusted Base Requirements Subtotal	**22,171.3**	**11,026.2**	**33,197.5**
Program Proposals			
Tier 1 - Recruitment, Retention, Graduation & Placement Initiatives	6,238.0	5,167.0	11,405.0
Tier 2 - Workforce, Career Readiness, Research & Economic Development Initiatives	20,425.0	34,385.0	54,810.0
Program Proposals Subtotal	**26,663.0**	**39,552.0**	**66,215.0**
Budget Adjustments			
Mental Health Trust Authority (MHT)		324.0	324.0
Technical Vocational Edu. Program (TVEP)		TBD	
SWS UA Rcpts Transfer to Land Management[3]		(4,900.0)	(4,900.0)
ETA UA Rcpts Transfer to Land Management[3]		(4,300.0)	(4,300.0)
LM UA Rcpts Transfers from SWS & ETA[3]		9,200.0	9,200.0
ETA UA Rcpts Reclassification to SDPR		(5,341.6)	(5,341.6)
ETA SDPR Reclassification from UA Rcpts		5,341.6	5,341.6
Budget Adjustments Subtotal	**0.0**	**324.0**	**324.0**
Receipt Authority			
University Receipts		10,000.0	10,000.0
Federal Receipts		80,000.0	80,000.0
Statutory Designated Program Receipts (SDPR)		27,200.0	27,200.0
UA Intra-Agency Transfers		5,000.0	5,000.0
Receipt Authority Subtotal	**0.0**	**122,200.0**	**122,200.0**
Proposed FY28 Operating Budget Changes	**48,834.3**	**173,102.2**	**221,936.5**
FY28 Operating Budget Total	**413,242.0**	**974,298.8**	**1,387,540.8**

1. Excludes one-time funds.
2. Excludes salary increases for union contracts currently being negotiated: Local 6070 (crafts & trades), Alaska Graduate Workers Association (AGWA) and CAUSE (UA staff).
3. Effective FY28, reporting for Land Management (LM) will realign under Enterprise Entities. Land Management was previously reported within Systemwide Services (SWS).

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University of Alaska
FY28 Adjusted Base Requirements
(in thousands of $)

MAU		Unrestr'd General Funds (UGF)	Univ. Rcpts (UAR)	Federal (FED)	Stat. Desig. Prog. Rcpts (SDPR)	Total Funds	FTE
Compensation Cost Increase		**11,799.4**	**3,129.7**	**2,014.9**	**332.5**	**17,276.5**	
UAA	Salaries and Benefits, & Healthcare	4,807.9	1,161.3	226.8	59.5	6,255.5	
UAF	Salaries and Benefits, & Healthcare	5,280.2	1,457.9	1,760.3	234.6	8,733.0	
UAS	Salaries and Benefits, & Healthcare	1,007.0	160.1	27.8	10.6	1,205.5	
UASO	Salaries and Benefits, & Healthcare	704.3	268.2			972.5	
EE	Salaries and Benefits, & Healthcare		82.2		27.8	110.0	
Cybersecurity & Information Technology		**2,698.5**	**881.5**	**75.0**	**0.0**	**3,655.0**	**2**
UAA	IT and Software Licensing Increases	450.0	50.0			500.0	
UAA	Classroom Hybrid-Delivery Support	225.0	25.0			250.0	
UAF	Cybersecurity, IT Contracts, Software, and Subscription Increases	873.0	22.0	75.0		970.0	
UAS	Campus-Wide IT Contractual Increases	22.5	2.5			25.0	
UAA	Digital Accessibility		200.0			200.0	
UAF	Digital Accessibility		250.0			250.0	
UAS	Digital Accessibility		50.0			50.0	
UASO	Identity and Access Management Modernization	640.0	160.0			800.0	2
UASO	Centrally Managed Software Fixed Cost Increases	248.0	62.0			310.0	
UASO	Artificial Intelligence and Enterprise Automation Initiative	240.0	60.0			300.0	
Facilities Operations & Maintenance		**2,190.0**	**1,729.5**	**270.5**	**0.0**	**4,190.0**	**1**
UA	UA Facilities Maintenance	2,000.0	1,729.5	270.5		4,000.0	
UAS	Sitka Mariculture Lab Manager and Student Internship Support	190.0				190.0	1
Utilities		**3,235.4**	**390.6**	**280.0**	**0.0**	**3,906.0**	
UAA	Utility Cost Increase	855.0	95.0			950.0	
UAF	Utilities/Energy Cost Increases	2,240.0	280.0	280.0		2,800.0	
UAS	Utilities Cost Increase	140.4	15.6			156.0	
Custodial Contract Increases		**0.0**	**1,500.0**	**0.0**	**0.0**	**1,500.0**	
UAF	Custodial Contract Increases		1,500.0			1,500.0	
Public Safety		**1,548.0**	**172.0**	**0.0**	**0.0**	**1,720.0**	**10**
UAA	Public Safety Support	963.0	107.0			1,070.0	7
UAF	Public Safety Staffing and Improved Emergency Response	585.0	65.0			650.0	3
Risk Management		**700.0**	**250.0**	**0.0**	**0.0**	**950.0**	
UA	Risk/Claims/Insurance	700.0	250.0			950.0	
	Adjusted Base Requirements Total	**22,171.3**	**8,053.3**	**2,640.4**	**332.5**	**33,197.5**	**13**

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Compensation Cost Increase
(UGF: $11,799.4, UAR: $3,129.7, FED: $2,014.9, SDPR: $332.5, Total: $17,276.5)

Salaries and Benefits
(UGF: $5,965.2, UAR: $2,789.4, FED: $1,051.8, SDPR: $170.1, Total: $9,976.5)
In accordance with the University of Alaska's (UA) mission, UA is committed to providing a competitive total compensation package, including salary and benefits, that will attract, retain, and reward high-performing employees who share a passion for higher education. UA strives to make employee compensation performance-based, competitive to institutions with similar missions, and commensurate with the individual's level of responsibility.

The FY28 budget request includes a wage increase for employee groups as required by collective bargaining agreements and a 3.25% wage increase for non-union staff.

Both the Local 6070 (crafts and trades) and Alaska Graduate Workers Association contracts expire in FY27, and no increase has yet been negotiated for FY28. UA and the union representing UA staff (CAUSE) are currently negotiating the first collective bargaining agreement. Once a tentative agreement has been reached with a union, a funding request will be made through the appropriate legislative process. If the collective bargaining agreement is not approved by the UA Board of Regents, the State Department of Administration, or is not ratified by the bargaining unit members, the funding request will be withdrawn.

Healthcare
(UGF: $5,834.2, UAR: $340.3, FED: $963.1, SDPR: $162.4, Total: $7,300.0)
The University of Alaska projects a healthcare cost increase of $7.3 million in FY28 to maintain its standard 82% employer cost-share.

This increase is driven by compounding cost trends across medical, pharmacy, and dental claims. Based on recent experience, the medical growth trend was adjusted upward to 9.2% (compared to 7.5% in FY27), while pharmacy and dental trends are projected at 15.2% and 4.25%, respectively.

The total claims cost is expected to escalate from $82.6 million in FY27 to $91.5 million in FY28. In FY28, this is an $8.9 million total cost increase, with an employer cost-cost share of $7.3 million (82%).

Cybersecurity & Information Technology
(UGF: $2,698.5, UAR: $881.5, FED: $75.0, Total: 3,655.0; 2 FTE)

UAA IT and Software Licensing Increases
(UGF: $450.0, UAR: $50.0, Total: $500.0)
Inflationary increases in software and computing equipment license increases for centrally managed licenses; supports licenses centrally managed by UAA IT and Financial Services.

UAA Classroom Hybrid-delivery Support
(UGF: $225.0, UAR: $25.0, Total: $250.0)
This request modernizes the student classroom experience and ensures hybrid course delivery across the state. Costs for audio and video (A/V) equipment and expectations post-COVID, and the personnel to support this equipment, has increased dramatically in recent years.

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UAF Cybersecurity, IT Contracts, Software, and Subscription Increases
(UGF: $873.0, UAR: $22.0, FED: $75.0, Total: $970.0)
UAF Nanook Technology Services (NTS) faces significant new and rising costs to keep its technology secure, current, and compliant. This includes increased storage costs, and the necessary refresh of the virtual desktop (VDI) environment to mitigate cybersecurity risk. This request also covers projected renewal and contractual increases for software licensing and subscription tools such as: productivity, endpoint (device) management, learning-management systems and their integrations, video-conferencing, security and vulnerability protection tools, data backup and ransomware protection, data compliance, employee training, and rising library subscription costs for journals and research databases.

Together, these vital resources protect institutional data, meet security and compliance expectations, and sustain the classroom, research, and collaboration technologies that contribute to student success, high-quality teaching and research, and institutional ranking.

UAS Campus-Wide IT Contractual Increases
(UGF: $22.5, UAR: $2.5, Total: $25.0)
Annual increases for hardware and software maintenance are typically 3-6% and in the last three years have increased at a faster rate.

UA Digital Accessibility
(UGF: $0.0, UAR: $500.0, Total: $500.0)
Federal requirements governing digital accessibility are expanding. In April 2026, Americans with Disabilities Act (ADA) Title II regulations raised the required accessibility standards, increasing both the technical and operational demands of compliance. Digital content includes public-facing websites, instructional materials, enterprise systems, and distributed digital assets managed across academic and administrative units. Meeting this requirement will require coordinated governance, clear guidance and accountability, and broad campus participation.

- UAA (UAR: $200.0, Total: $200.0)
- UAF (UAR: $250.0, Total: $250.0)
- UAS (UAR: $50.0, Total: $50.0)

UASO Identity and Access Management Modernization
(UGF: $640.0, UAR: $160.0, Total: $800.0; 2 FTE)
This project aims to modernize the University of Alaska's Identity and Access Management (IAM) systems. This funding request would be used to cover a license for an enterprise IAM technology solution ($500,000) and personnel costs for two new positions. An IAM Architect/Engineer and an IAM Administrator are both needed to design, deploy, and maintain the program.

This modernization effort aims to replace homegrown custom built solutions that have been in place for 25 years and is foundational to ensuring secure access to university resources, improving the user experience for students and employees, and meeting compliance requirements, such as Family Educational Rights and Privacy Act (FERPA) and the Gramm-Leach-Bliley Act (GLBA), and internal audit mandates. The project seeks to develop a modern IAM program that includes a modern platform to improve student experience, reduce barriers to access, and enhance the security and protection of data. The University of Alaska currently lacks a comprehensive IAM solution, strategy, and funding for modernizing the IAM systems.

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UASO Centrally Managed Software Fixed Cost Increases
(UGF: $248.0, UAR: $62.0, Total: $310.0)
The Office of Information Technology (OIT) manages major university-wide academic and administrative IT contracts serving the entire University of Alaska (UA) system. These enterprise agreements cover site licenses along with hardware and software maintenance for mission-critical tools, such as UA's Enterprise Resource Planning (ERP) system, network firewalls, artificial intelligence (AI) responsive cybersecurity capabilities, Microsoft and Google (email and cloud storage), and many other system wide platforms. While contract renewals traditionally carry an annual price increase of 3–6%, inflationary cost pressures over the past three years have exceeded typical benchmarks. For FY28, total cost escalation across OIT-managed software and hardware contractual agreements is anticipated at 5%, or $310,000.

UASO Artificial Intelligence and Enterprise Automation Initiative
(UGF: $240.0, UAR: $60.0, Total: $300.0)
This initiative will explore, pilot, and deploy artificial intelligence (AI) and process automation capabilities across the University of Alaska system. By modernizing routine administrative and academic support workflows, this initiative aims to increase operational efficiency, accelerate service delivery for students and staff, and reduce manual administrative overhead. Funding will support high-impact automation use cases, scalable integration tools, and enterprise governance to ensure secure, responsible deployment. Investing in modern automation will enable the university to optimize existing personnel resources and better meet growing operational demands statewide.

Facilities Operations & Maintenance
(GF: $2,190.0, UAR: $1,729.5, FED: $270.5, Total: $4,190.0; 1 FTE)

UA Facilities Maintenance
(UGF: $2,000.0, UAR: $1,729.5, FED: $270.5 Total: $4,000.0)
Facilities maintenance funding is necessary to preserve capital assets critical to UA's mission. Several years of reduced operating budgets and minimal capital funds have increased the ongoing risk and evidence of building failures.

UA dedicates a portion of its annual operating appropriation toward facility maintenance ($33.6 million in FY27), with a long-term goal to reach a minimum of $60.0 million. UA's ability to adequately fund annual facility maintenance projects is integral to reducing the risk of costly and disruptive facility failures and reducing the backlog of deferred maintenance projects.

State-funded appropriations for UA's deferred maintenance/renewal and repurposing (DM/R&R) activities are critical to address the maintenance needs of UA's aging facilities. Capital DM/R&R funding averaged $25.6 million from FY08-FY16, but has dropped to an average of $19.1 million in the last three years. This has put additional strain on UA's operating budget to fund preventative and current facility maintenance needs.

UAS Sitka Mariculture Lab Manager and Student Internship Support
(UGF: $190.0, NGF: $0.0, Total: $190.0; 1 FTE)
The primary goal of the new UAS Sitka Mariculture Floating Laboratory is to offer students hands-on instruction in mariculture/aquaculture so that they can enter the industry as technicians, particularly in Alaska. The facility can also expand UAS' capacity for workforce training, research partnerships, and mariculture industry and educational tourism collaborations. To achieve its full potential, the facility needs permanent funding for a lab manager who can oversee the operations and maintenance of the

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floating laboratory. This full-time position is required to manage daily operations, maintain systems, care for aquatic species, and perform routine maintenance and repairs. Without it, the facility's effectiveness, lifespan, and educational value would substantially diminish. This permanent funding request would also be used for interns, giving students the chance to gain valuable experience in laboratory techniques for maintaining living organisms and applied research. While also allowing them to become familiar with the operational skills needed to maintain such a facility.

Utilities
(UGF: $3,235.4, UAR: $390.6, FED: $280.0, Total: $3,906.0)

UAA Utility Cost Increase
(UGF: $855.0, UAR: 95.0, Total: $950.0)
UAA utility expenditures increased (36%) from approximately $5.38 million in FY22 to $7.31 million in FY26, with annual cost increases ranging from 5.9% to 10.0%. In FY28, UAA anticipates a 13.0% increase in utility costs ($950.0 thousand) over FY26 actual costs. This includes known utility rate increases, and continued inflationary pressure on electricity, natural gas, water, wastewater, and solid waste services. This does not account for Chugach Electric Association (CEA)'s gas supply contract with Hilcorp ending in 2028. CEA and ENSTAR remain the largest utility cost drivers, accounting for more than 90% of total utility expenditures.

This funding adjustment is necessary to maintain operations across decentralized service networks facing distinct regional rate pressures, including Mat-Su's 29.4% Matanuska Electric Association (MEA) power surcharge, Kenai/Homer's Regulatory Commission of Alaska (RCA)-approved Homer Electric Association (HEA) rate hikes, and Prince William Sound's reliance on high-cost heating oil and volatile diesel-generated power.

These external rate increases outpace UAA's active efficiency and conservation measures, which include wide-scale LED (light-emitting diode) lighting retrofits, high-efficiency boiler replacements, building automation scheduling, in-house system recommissioning, CO2 demand-controlled ventilation, and occupancy setback controls during academic closures. While these efforts have helped mitigate utility consumption and improve operational efficiency, utility expenditures continue to be significantly influenced by utility rate increases and commodity costs that are largely outside of the university's control.

UAF Utilities/Energy Cost Increases
(UGF: $2,240.0, UAR: $280.0, FED: $280.0, Total: $2,800.0)
UAF utility expenditures increased (79%) from approximately $16.8 million in FY23 to approximately $30.0 million in FY26. In FY28, UAF anticipates a 9.3% increase in utility costs ($2.8M) over FY26 actuals. The major drivers are continued increases in electricity, heating fuel, natural gas, coal, water, and sewer costs, along with transportation and delivery costs for fuel in both the interior and in rural and remote locations.

This request addresses significant increases in utility and energy costs across the UAF Troth Yeddha' Fairbanks campus and rural community campuses. Commodity and service costs for utility inputs and power generation have all risen substantially, driving higher utility rates. UAF is also exposed to volatility in fuel prices and to shifts in the mix of fuels required to operate its facilities. UAF's Interior and rural Alaska footprint compounds this exposure. Interior Alaska and many of UAF's rural locations also experience longer and colder heating seasons, increasing the energy required to heat and protect

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facilities. Increases are also offset by excess power sales; however, it is not enough to keep pace with rising costs.

FY26 was unusual, with the Combined Heat and Power Plant offline for a portion of the winter, contributing to higher Golden Valley Electric Association (GVEA) purchases. Therefore, these projections are on a multi-year cost trend rather than escalating from FY26 alone, so the one-time increase doesn't inflate the out-year request.

UAF continues to actively seek ways to reduce utility usage to contain costs. UAF will also be embarking on a safety and maintenance program review to strengthen proactive operational procedures that may contribute to greater resiliency. Recent initiatives are expected to generate approximately $200,000 annually in additional excess power generation sales, avoid approximately $100,000 annually in unplanned maintenance, and save approximately $130,000 annually through water conservation.

UAS Utilities Cost Increase
(UGF: $140.4, UAR: $15.6, Total: $156.0)
UAS requests a $156,000 budget increase for FY28 to help offset pending utility rate hikes across its Juneau, Ketchikan, and Sitka campuses. This request is driven primarily by an anticipated 20% electricity rate increase from Alaska Electric Light and Power (AELP), pending Regulatory Commission of Alaska approval, along with a planned 5% municipal water and sewer rate hike in Juneau.

Based on FY26 general fund baseline utility expenditures of $1.16 million, the request applies a targeted 20% increase ($99,000) to Juneau electricity costs and an 8.5% increase ($57,000) across all other utility categories. This funding adjustment is necessary to maintain operations despite active conservation and mitigation efforts, including ongoing LED (light-emitting diode) lighting retrofits, staggered HVAC (heating, ventilation, and air conditioning) morning startups to reduce peak energy spikes, and optimized dual-fuel boiler management at the Recreation Center.

Custodial Contract Increases
(UGF: $0.0, UAR: $1,500.0, Total: $1,500.0)

UAF Custodial Contract Increases
(UGF: $0.0, UAR: $1,500.0, Total: $1,500.0)
This request is a portion of the cumulative increase in custodial costs over a number of years, much of which Facilities has absorbed within its existing budget. This estimate is based on the difference between FY25 actual expenses and projected costs through FY28. These are critical services that ensure a safe and clean campus environment for students, faculty, and staff. UAF is currently spending $6.8 million on custodial expenses.

Public Safety
(UGF: $1,548.0, UAR: $172.0, Total: $1,720.0; 10 FTE)

UAA Public Safety Support
(UGF: $963.0, UAR: $107.0, Total: $1,070.0; 7 FTE)
UAA has a fully commissioned state police agency based on the Anchorage Campus. The University Police Department (UPD) primarily covers the Anchorage Campus but also has a regular presence at Mat-Su College. The UPD Chief works closely with the directors of UAA's other community campuses to resolve security issues and coordinate with local law enforcement as needed.

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The UPD's call volume has increased significantly over the past several years, including a 33% increase in calls for service (12,337 to 16,407) and a 14% increase in police reports (553 to 631) between calendar years 2024 and 2025. The trends for 2026 are on track to exceed 2025 levels in all categories by as much as 5-10%. Additionally, the types of crime UPD is responding to are becoming increasingly violent, with cases of stalking and assault up, as well as property crimes such as vehicle thefts. Many of these incidents are exacerbated by the University Medical District (UMED) challenges, such as the nature of land ownership and public rights-of-way. UPD's calls for mental health support and wellness checks are increasing as well.

Due to the location of the Anchorage Campus, the University Police Department (UPD) has unique challenges as it relates to community safety and law enforcement. The campus' neighbors include three medical facilities (including psychiatric/drug rehabilitation treatment and immediate crisis facilities), the largest juvenile justice treatment center in Alaska, a private university, federal government facilities, and several K-12 facilities. These peripheral institutions and the populations that frequent UMED require additional security resources and response tactics. While UAA's property is considered private under statute, it is surrounded by public rights-of-way along roads and trails with public use easements. Thus, the UPD can remove individuals from campus, but they can still access surrounding public corridors. UAA UPD coordinates regularly with the security teams at Providence Alaska Medical Center and the Alaska Native Medical Campus, as well as APD, on security issues and response coordination.

According to a 2024 study of campus law enforcement agencies conducted by the Department of Justice's Bureau of Justice Statistics, a public university of UAA's size and located within a large metropolitan area should have 2.2 officers per 1,000 people served. Based on UAA's student body, employee count, and regular public visitors, UAA needs 31 police officers compared to the current 15 positions. A relief factor model, accounting for training, injuries, and leave, increases UAA's need to closer to 44 officers. These numbers enable consistent shifts of 2 officers and 1 supervisor, ensuring quick response to incidents and officer safety. Federal law enforcement partners reinforce the need for this staffing level during high-profile dignitary visits. This request is part of a multi-year effort to bring UPD staffing into compliance with these recommended levels.

To protect UAA students and visitors, the UPD maintains strong partnerships with the Anchorage Police Department, Department of Public Safety, the FBI, other federal agencies, and neighboring UMED institution security teams, together supporting a unified public safety strategy.

ROI: This will reduce losses due to theft and damage, as well as improve the overall safety of the campus and the surrounding UMED District by strengthening patrol frequency and speeding up response times. This will have a direct, positive impact on enrollment.

UAF Public Safety Staffing and Improved Emergency Response
(UGF: $585.0, UAR: $65.0, Total: $650.0; 3 FTE)
This request strengthens public safety and emergency response by adding two sworn police officers; permanent funding to support the full-time emergency manager responsible for safety through preparing the institution to respond effectively to various hazards and disasters; and a security officer at the Community and Technical College in downtown Fairbanks, where there have been several day and after-hours security needs that require full-time attention and a security presence to help students feel well-supported at this location.

This funding would move the patrol shift from nine to eleven sworn officers. Emergency response is 24/7. The UAF Police Department (PD) currently staffs only one officer per shift, limiting its ability to

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conduct proactive patrols while responding to increasing service demands. Calls for service grew from 3,604 in 2025 to more than 4,000 in 2026, while officers logged 18,000 investigative hours in 2025. Additional officers will allow two-officer patrols, improve officer safety, reduce response times, and establish a dedicated detective position to strengthen investigative capacity. Increased capacity in these areas is critical to meet the University of Alaska Fairbanks' growing residential student population. UAF PD has responsibility for emergency response and alarm monitoring at community campus facilities and research sites in Kodiak, Juneau, Dillingham, Kotzebue, Bethel, and Seward. Alarm activity has increased 101% over the past three years, from 66,396 signals in 2022 to 133,269 in 2025, in addition to nearly 17,000 inbound and outbound phone calls annually. Additional capacity will also improve UAF's emergency response coordination via the emergency management team.

The request also provides funding to maintain UAF PD's 12 body-worn cameras, four in-vehicle cameras, digital evidence storage, and software licensing. These technologies improve officer safety, strengthen evidence collection, support investigations and prosecutions, increase transparency and accountability, and enable real-time consultation with behavioral health professionals during crisis response.

These are UAF's highest-priority Public Safety needs in FY28 and reflect a commitment to student life, safety, and proactive preparedness and engagement within the university community.

$288 thousand for two sworn police officers for UPD to increase 24x7 shift coverage
$127 thousand for Dash/Body Camera equipment
$150 thousand for an Emergency Manager (permanent position funding)
$85 thousand for a Community & Technical College Security Officer (downtown Fairbanks)

Risk Management
(UGF: $700.0, UAR: $250.0, Total: $950.0)

UA Risk/Claims/Insurance
(UGF: $700.0, UAR: $250.0, Total: $950.0)
Estimated FY28 Risk Services cost increases are primarily driven by a projected 10% surge in systemwide insurance premiums alongside higher actuarial retained losses—chiefly in property and general liability.

Budget Adjustments
(UGF: $0.0, MHTAAR: $324.0, Total: $324.0)

Mental Health Trust (MHT) and Technical Vocational Education Program (TVEP)
Any funding changes will be included in the budget the board is asked to approve in May.

Mental Health Trust Authority $324.0
The total FY28 Mental Health Trust (MHT) Authority funding proposed for UA is $3,755.8 ($805.8 General Funds MHT and $2,950 in MHT Receipt Authority). This is a net increase from FY27 of $324.0 in MHT Receipt Authority. This funding will be directed toward the University of Alaska projects and programs in support of initiatives of mutual interest to the Mental Health Trust, the University, and the Alaska Health Workforce Coalition.

Technical Vocational Education Program $TBD
TVEP FY28 funding changes are unknown at this time and will be added to the budget request

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when known. This funding, commonly referred to as workforce development, is focused on priority workforce development areas established by the Alaska Workforce Investment Board (AWIB).

UA Receipts (UAR) Transfers to Land Management
Systemwide Services ($4,900.0)
Education Trust of Alaska ($4,300.0)
Land Management $9,200.0

Starting in FY28, Land Management (LM) will be reported under Enterprise Entities. Previously, LM was reported as part of Systemwide Services.

Land Management's primary role is to generate revenue from the University's real property and to prudently manage its grant land to support the university's educational mission by responsibly developing its land and managing educational land consistent with campus goals and objectives.

Land Management provides development activities that support local jobs in Alaska and help to fund the University of Alaska Scholars Program, directly benefiting students.

Systemwide Services can transfer $4.9 million, and the Education Trust of Alaska can transfer $4.3 million in university receipt authority to Land Management to cover anticipated FY28 expenditures (~$9.2 million).

Education Trust of Alaska UA Receipts Reclassification to SDPR
(UAR: -$5,341.6, SDPR: $5,341.6)
In FY28, the Education Trust of Alaska (ETA) will begin reporting revenue from the Alaska Higher Education Savings Trust as statutory designated program receipts (SDPR). This is designated revenue from a foundation endowment. Historically, this activity (estimated $12.5 million in FY28) has been reported using university receipt authority but would more appropriately be considered SDPR.

In FY27, the Education Trust of Alaska (ETA) has $9.6 million in university receipt authority. In FY28, $4.3 million of this receipt authority can be transferred to Land Management. ETA can reclassify the remaining $5.3 million in university receipts and requests a $7.2 million increase in Statutory Designated Program Receipts.

Receipt Authority
(UGF: $0.0, UAR: $10,000.0, FED: $80,000.0, SDPR: $27,200.0, IAT: $5,000.0, Total: $122,200.0)

UAF University Receipts: $10,000.0
This category includes areas of strong growth including student tuition and fees, and indirect cost recovery, so planning for modest growth within this category is reasonable. UAF requests an increase of $10 million to support projected activity. FY26 closing was approximately 96% of FY27 authority.

UAF Federal Receipts: $80,000.0
The University of Alaska Fairbanks (UAF) in FY27 has $186.7 in federal receipts authority and ended FY26 with approximately $169.8 in activity. Additional federal receipt authority is needed to cover new and expanding relationships with the federal government and military partners. UAF's Intergovernmental Support Agreements (IGSA) and Arctic and Homeland Defense Center University Affiliated Research Center (AHDC UARC) are multi-year federal projects.

Approved by BOR 11.06.26

The IGSA U.S Army Wi-Fi agreement is anticipated to include options to extend for up to 10 years, with an estimated base of $42 million annually, with flexibility to increase based on U.S. Army Wi-Fi needs and expansion plans, coordinated through this agreement by UAF. Initial contractual services began in FY27 with UAF addressing Wi-Fi needs at the Fort Wainwright barracks.

UAF has an estimated $23 million in task orders and pending agreements for FY28 between the Arctic and Homeland Defense Center (AHDC) and the University Affiliated Research Center (UARC). UAF has submitted proposals for the Defense Innovation Unit (DIU) hub, which, if awarded, will impact FY28. Additional receipt authority is needed to keep pace with emerging projects that will respond to Alaska's and the nation's national security and innovation needs.

In FY27 UAF was also awarded the National Science Foundation (NSF) Engines competitive grant to support an Alaska Critical Minerals Accelerator. An additional $15 million in federal receipt authority is needed to continue this work beyond FY27.

FY28 Additional Federal Receipt Activity estimates:
IGSA U.S Army Wi-Fi (annual contract extension) $42 million
UARC/DIU $23 million
NSF Engines $15 million

UA Statutory Designated Program Receipts (SDPR): $20,000.0
In FY26, the University of Alaska (UA) actual statutory designated program receipts ($74.1 million) were 97% of FY27 base budget authority ($76.6 million). During the fiscal year, there has been a significant amount of one-time transfers across allocations to align budget authority with activity. Even with a $4 million base transfer from the UAA to UAF in FY27, UA Fairbanks remains below FY26 actuals, and UA Anchorage is at 90% of its FY26 actuals.

Education Trust of Alaska Statutory Designated Program Receipts (SDPR): $7,200.0
In FY28 the University of Alaska (UA) will begin reporting revenue from the Alaska Higher Education Savings Trust as statutory designated program receipts (SDPR). This is designated revenue from a foundation endowment. Historically, this activity (estimated $12.5 million in FY28) has been reported using university receipt authority but would more appropriately be considered SDPR.

In FY27, the Education Trust of Alaska (ETA) has $9.6 million in university receipt authority. In FY28, $4.3 million of this receipt authority can be transferred to Land Management. ETA can reclassify the remaining $5.3 million in university receipts and requests a $7.2 million increase in Statutory Designated Program Receipts.

This increase request will bring the Education Trust of Alaska's budget in alignment with its current activity level that has grown over the years:

> To drive enrollment and account expansion, the Trust executed three major strategic initiatives: a quarterly outreach campaign launched in 2021 targeting 50,000 non-resident beneficiaries and inviting them to apply to UA; the April 2022 rollout of the Dash to Save™ and Dash to Save More™ incentive programs (capped at $3.25 million); and the 2026 launch of the Account Momentum Incentive (AMP), which is advertised nationally as part of the T. Rowe Price 529 plan. These efforts directly contributed to a 25% surge in new accounts in FY26.

Approved by BOR 11.06.25

In FY24, T. Rowe Price engaged the industry leader in 529 recordkeeping, Ascensus, to manage client services and account management for the three 529 plans offered by the Education Trust of Alaska. The conversion added several enhancements to the plans, including improved banking capabilities, a state-of-the-art gifting platform, UGift®, and a modernized account management system. These enhancements allow for greater ease in accessing account information, contributing, and opening new accounts.

In FY25, the Trust celebrated its 25th anniversary with an additional incentive program for new accounts opened in the T. Rowe Price College Savings Plan and additional initiatives for the John Hancock Freedom 529 and Alaska 529.

UAF UA Intra-Agency Transfers (IAT): $5,000.0
IAT is cost-driven and this additional authority will allow for growth, particularly in large cost centers such as Utilities and R/V Sikuliaq, reducing the need for future requests for additional one-time authority.

Approved by BOR 11.06.25

University of Alaska
Tier 1 - Recruitment, Retention, Graduation & Placement Initiatives
(in thousands of $)

MAU		Unrestr'd General Funds (UGF)	University Receipts (UAR)	Total Funds	FTE
UAA	Sustain Enrollment Momentum (one-time to base)	375.0	375.0	750.0	
UAA	Modern Multi-Modal Recruitment Marketing	700.0	770.0	1,470.0	2
UAA	Coordinate and Scale Student Success Initiatives	429.7		429.7	3
UAA	Advancing UAA's Dual Mission at KPC and MSC	240.0	240.0	480.0	2
UAA	Attracting Students from Outside to Alaska's Workforce	680.3	770.0	1,450.3	1
UAF	Sustain Enrollment Momentum (One-Time to Base)	338.0	412.0	750.0	
UAF	Modern, Multimodal Enrollment Marketing and Communications: Recruiting Lower 48 and International Students	1,000.0	1,500.0	2,500.0	
UAF	Student Retention, Advising for Graduation Rate Improvements and Career Placement	850.0	660.0	1,510.0	4
UAS	Sustain Enrollment Momentum (One-Time to Base)	500.0	250.0	750.0	
UAS	Stabilize and Expand Recruitment	600.0	140.0	740.0	2
UAS	Increasing Retention by Strengthening the First-Year Experience Program	250.0	50.0	300.0	1
UASO	Launch Comprehensive APS Campaign	125.0		125.0	
UASO	Instructional Innovation and Mentoring Initiative	150.0		150.0	
Recruitment, Retention, Graduation & Placement Initiatives Total		**6,238.0**	**5,167.0**	**11,405.0**	**15**

Approved by BOR 11.06.26

Recruitment, Retention, Graduation & Placement Initiatives
(UGF: $6,238.0, UAR: $5,167.0, Total: $11,405.0; 15 FTE)

UAA Sustain Enrollment Momentum (one-time to base)
(UGF: $375.0, UAR: $375.0, Total: $750.0)
To sustain systemwide enrollment momentum beyond FY27, the University of Alaska requests base funding to continue proven student recruitment efforts. Previously funded as a one-time appropriation, these resources directly support campus programs under the Systemwide Attainment Framework (SAF) Students-First Action Agenda. Base funding will provide the financial stability needed to maintain long-term outreach efforts across the system.

University of Alaska Anchorage (UAA) prospective student pipeline expanded from fewer than 100 names to 13,135. New student admits grew from 1,026 to 1,320 in fall 2025 (29%) and from 913 to 1,135 in spring 2026 (24%). The pass rate in high drop/fail/withdraw lower-division courses is 74% up from 55%, due to various advising initiatives.

UAA Modern Multi-Modal Recruitment Marketing
(UGF: $700.0, UAR: $770.0, Total: $1,470.0; 2 FTE)
This investment will enable UAA to partner with an enrollment consultant to develop and deploy a multi-year messaging campaign, developing affinity and moving high school students to the point of admissions. This consultant work will augment the in-house staff in both the Recruiting and University Advancement teams. This effort will include both in-state and out-of-state efforts.

ROI: The goal of this effort is to increase enrollment of first-time freshmen and draw back students who stopped out without completing their degree by 380 students. With anticipated tuition revenue of $5,800 per student, this equates to $2.2 million in new earned revenue.

UAA Coordinate and Scale Student Success Initiatives
(UGF: $429.7, NGF: $0.0, Total: $429.7; 3 FTE)
UAA has several proven efforts to improve student retention. Many of these efforts have received funding through a federal Title III grant that needs to be replaced by state funding; these include student tutors, learning assistance, and financial coaches. In addition, this request will add critical student support personnel, such as advisors, to keep pace with caseloads as enrollment targets are achieved.

ROI: Investment in this area will keep UAA's advisor-to-student ratio within the best practice range of 300-400 students per advisor, ensuring progress on student retention growth. Additionally, maintaining the financial coaches will reduce student debt and maximize utilization of student aid funding.

UAA Advancing UAA's Dual Mission at KPC and MSC
(UGF: $240.0, UAR: $240.0, Total: $480.0; 2 FTE)
This investment furthers UAA's dual mission work by adding admissions counselors to UAA's two largest community campuses. The Kenai Peninsula College (KPC) and Matanuska Susitna College (MSC) regions are some of the only areas of the state seeing population growth, creating potential to better connect the Alaskans in those areas with all of UAA's available degree programs. These admissions counselors will be critical to providing access to degrees across UAA's portfolio.

ROI: UAA expects each admissions counselor would result in a minimum gain of 15 students each per year, for a total of 30 students. At approximately $8,000 per year in tuition and fee revenue, we expect earned revenue growth of $240,000 per year, which would compound through retention.

Approved by BOR 11.06.25

UAA Attracting Students from Outside to Alaska's Workforce
(UGF: $680.3, UAR: $770.0, Total: $1,450.3; 1 FTE)
This investment capitalizes on Board of Regents action to eliminate non-resident tuition (NRT), creating a much more attractive climate for recruiting students from outside Alaska. By adding a regional recruiter and providing significant marketing dollars, this request will ramp up UAA's effort to grow Alaska's workforce through net in-migration of talent. With the elimination of NRT, UAA's cost of attendance for a non-resident recruit, coupled with changes to student loan and other aid policies in the One Big Beautiful Bill, make our programs highly competitive within the western region of the United States.

ROI: UAA expects to initially attract at a minimum 35 new students per year, with growth as the marketing efforts mature. At a tuition, fees, room and board rate of $22,000 per year, this would be about $770,000 per year compounded by students who continue to enroll and live on campus. ROI to the state is through 80-85% of UAA students stay and work in the local economy after graduation.

UAF Sustain Enrollment Momentum (one-time to base)
(UGF: $338.0, UAR: $412.0, Total: $750.0)
To sustain systemwide enrollment momentum beyond FY27, the University of Alaska requests base funding to continue proven student recruitment efforts. Previously funded as a one-time appropriation, these resources directly support campus programs under the Systemwide Attainment Framework (SAF) Students-First Action Agenda. Base funding will provide the financial stability needed to maintain long-term outreach efforts across the system.

In fall 2027, the University of Alaska Fairbanks (UAF) expanded the pool of student prospects to 270,000 and launched a new application review process, supporting 30,0000 application reviews with a same-day turnaround. UAF saw a 49% increase in new lower-48 students confirmed for the 2026-2027 academic year.

UAF Modern, Multimodal Enrollment Marketing and Communications: Recruiting Lower 48 and International Students
(UGF: $1,000.0, UAR: $1,500.0, Total: $2,500.0)
This investment in marketing and outreach for international and contiguous U.S. student markets is crucial to enhancing UAF enrollment. As the university faces increased competition for a shrinking pool of prospective students, both domestically and globally, targeted and robust marketing initiatives are essential to attract a diverse and talented student body. Specifically, in the Pacific Northwest, UAF will raise brand awareness and increase social media presence by conducting a strategic brand marketing campaign at the Seattle-Tacoma International Airport. Additionally, UAF will deploy data-driven marketing campaigns, expand UAF's digital presence, and engage with prospective students through personalized outreach strategies.

Expanding UAF's comprehensive, multimodal marketing and enrollment campaign will deliver growth in key domestic and international markets. It modernizes UAF's digital footprint using targeted, data-driven strategies to increase student inquiries, applications, and enrollments, ensuring a competitive advantage for the university. It targets a critical phase of the enrollment funnel, focusing on increasing enrollment yield through strategic outreach and robust student nurturing. By leveraging analytics to deliver personalized communication and support from application through deposit, this initiative will reduce summer melt and directly increase UAF's matriculation rate, ensuring a maximum return on investment.

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ROI: The $2.5M investment is expected to generate measurable enrollment growth and additional tuition revenue by expanding UAF's reach into Lower 48 and international markets and improving the conversion of prospective students into enrolled students. Investment in student marketing and outreach has repeatedly shown a 5x-7x return over time. For this investment, UAF conservatively projects a return in the range of 2x. The success of this initiative will be measured by key performance indicators (KPIs) such as inquiry-to-application conversion rates, admit-to-enrollment yield, and net tuition revenue, securing UAF's long-term competitive advantage in the higher education landscape.

UAF Student Retention, Advising for Graduation Rate Improvements and Career Placement
(UGF: $850.0, UAR: $660.0, Total: $1,510.0; 4 FTE)
In alignment with a key retention recommendation from UAF's enrollment consultants (Education Advisory Board), this investment will enhance retention and improve the student experience through career and job placement services as well as establishing a predictive student retention model.

Advisor positions will address critical gaps in retention efforts and career guidance, ensuring students receive the support they need to succeed academically, socially, and professionally. It represents a strategic investment in UAF's future, ensuring that all students - particularly first-year and targeted populations - have access to the resources and guidance they need to thrive. These positions will double career advising capacity, alleviate advisor overload, and integrate career guidance into every stage of the student journey. From inquiry to first-year advising to post-graduation decisions, advisors will empower students to make informed academic and career choices, providing a seamless connection between education and career readiness. Specifically, an advisor for the College of Liberal Arts (CLA) is needed to address urgent demand. CLA is the largest academic college on the Troth Yeddha' campus, and its advising capacity exceeds national best-practice advising caseloads, serving 1,400 majors across 17 departments and 40 degree programs.

This investment will also focus on closing gaps in the student success cycle, and focus on student retention and degree completion initiatives. To align with national best practices for open-enrollment institutions, these efforts require collecting retention data, analyzing trends, and building a predictive model for real-time student interventions. This will support successful degree completion for Alaskans who have some college experience but have not yet attained a degree.

ROI: Investments in retention and graduation rate improvements are projected to generate a strong return by sustaining and increasing student headcount and tuition revenue. Retaining 1% of UAF students ensures UAF avoids a revenue loss of $400,000-$500,000 per year. The CLA Advisor position alone could retain 35 new resident students at $310/credit for 24 credits, generating approximately $260,000 in tuition revenue. Beyond tuition revenue, success will be measured by reduced advising caseloads, identifying at-risk students earlier through predictive analytics, improving graduation rates, and strengthening students' connections to employment opportunities.

UAS Sustain Enrollment Momentum (one-time to base)
(UGF: $500.0, UAR: $250.0, Total: $750.0)
To sustain systemwide enrollment momentum beyond FY27, the University of Alaska requests base funding to continue proven student recruitment efforts. Previously funded as a one-time appropriation, these resources directly support campus programs under the Systemwide Attainment Framework (SAF) Students-First Action Agenda. Base funding will provide the financial stability needed to maintain long-term outreach efforts across the system.

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The University of Alaska Southeast (UAS) Alaska Unlocked initiative, which eliminated a separate non-resident tuition rate at UAS beginning the fall 2026 semester and will be implemented systemwide beginning academic year 2028 (fall 2027 semester). UAS out-of-state enrolled students are up 33% year-over-year due to the Alaska Unlocked initiative. The campaign has contributed to a 17% increase in out-of-state (O/S) applications, a 45% increase in admitted O/S students, and a 21% increase in newly enrolled O/S students in Fall 2026.

UAS Stabilize and Expand Recruitment
(UGF: $600.0, UAR: $140.0, Total: $740.0; 2 FTE)
Funding is requested to provide permanent support for the implementation of the Common App. UAS has a signed member agreement and will begin to accept applications through the platform in fall 2027 for the fall 2028 semester. It would also enable UAS to be visible to a pool of more than 1 million prospective students who use the Common App to apply to college and connect applicants more effectively with the UAS admissions team. The Common App initiative will pair well with UAS's implementation of the Alaska Unlocked campaign has contributed to a 17% increase in out-of-state (O/S) applications, a 45% increase in admitted O/S students, and a 21% increase in newly enrolled O/S students for Fall 2026. These early results, driven by soft funding, demonstrate that strategic investments in recruitment and marketing paired with a highly competitive tuition structure are producing measurable recruitment gains. Permanent funding will allow UAS to build on this momentum, expand and strengthen the enrollment pipeline, and generate recurring tuition revenue.

Funding will support two employees necessary for the implementation and maintenance of the Common App (Database Developer) and allow us to be responsive to the increased volume of applications to UAS (Admissions Processor). Funding will also support the cost of program implementation and the cost of response time to increased applications in the pool.

ROI to UA: This investment, as well as our retention efforts and internal investments in recruiting, marketing, and outreach for both in-state and out-of-state students will enable UAS to meet its goals to increase yearly student headcount more effectively. If UAS' goal to increase total recruitment (both in-state and out-of-state) by at least 23% from FY26 to FY30 is met, total additional revenue of $2.49M could be realized with this investment and other investments UAS has underway (based on 414 additional students taking 24 credits per academic year at the current lower-division rate of $251 per credit).

ROI to Alaska: Approximately 87% of UAS graduates are employed all across Alaska within one year of graduation. Given this rate and the average per capita personal consumption (PE) for individuals in Alaska of $66,356 (which includes housing, utilities, healthcare, food/beverages, gasoline/energy, and other PE expenditures) per year, the economic value of 360 graduates (87% of 414) joining the Alaska workforce is approximately $23.9 million. In addition, this investment is expected to bring more students from out-of-state to add to Alaska's workforce.

* Based on the most recent data available from the U.S. Bureau of Economic Analysis (2024 data).

UAS Increasing Retention by Strengthening the First-Year Experience Program
(UGF: $250.0, UAR: $50.0, Total: $300.0; 1 FTE)
Permanent funding is requested to broaden and sustain the First-Year Experience (FYE) program for incoming students to strengthen the university's ability to retain its students once they have enrolled. The two interrelated elements of FYE at UAS include: (1) a yearlong program of experiences that train

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students in the academic, time-management, social, financial, and mental health skills they need to succeed; and (2) the redesign of first-year "foundational" courses (such as math and English) to enhance academic success while maintaining high rigor. The funding will support a First-Year Experience Coordinator who will oversee the program and instructor training to redesign introductory courses.

ROI to UA: This initiative is critical for improving UAS' ability to retain students from matriculation to graduation. Retaining even 5% of our students due to these efforts will result in saved revenue of $1.08M each academic year (based on 180 students taking 24 credits per semester at the rate of $251 per credit). In addition, when students are able to build a strong foundation of success in their first year, they are far more likely to graduate sooner and enter the workforce more quickly.

ROI to Alaska: Approximately 87% of UAS graduates are employed all across Alaska within 1 year of graduation. Given this rate and the average per capita personal consumption (PE) for individuals in Alaska of $66,356 (which includes housing, utilities, healthcare, food/beverages, gasoline/energy, and other PE expenditures) per year, the economic value of 157 (87% of 180) graduates joining the Alaska workforce is approximately $10.4M each year.

* Based on the most recent data available from the U.S. Bureau of Economic Analysis (2024 data).

UASO Launch Comprehensive APS Campaign
(UGF: $125.0, NGF: $0.0, Total:$125.0)
Alaska Performance Scholarship (APS) student eligibility for the state increased for the second consecutive year in FY26. In FY26, an initial expansion of marketing to this target audience for future enrollment at the University of Alaska will be launched. We plan on sustaining this effort through FY28, utilizing feedback through surveys to augment marketing in intentional, strategic ways. This request will support the ongoing outreach efforts and the high levels of collaboration with internal (UA Scholars and 529) and external statewide stakeholders.

ROI: APS-eligible students are students more likely to sustain university attendance as a result of their high school preparation and ongoing financial support. The APS marketing strategy includes outreach to a younger audience, 8th grade students and their families, as well as middle school K-12 staff. This will increase visibility of the opportunities at the University of Alaska with the intent of increasing enrollment of APS-eligible students, thus contributing to the overall UA enrollment and graduation goals.

UASO Instructional Innovation & Mentoring Initiative
(UGF: $150.0, NGF: $0.0, Total:$150.0)
A substantial body of literature attests to the positive effects of High Impact Practices (HIPs) and Evidence-Based Teaching Practices (EBTPs) on student resilience, persistence, retention, and success. This request seeks support for each MAU to leverage existing expertise within and across their Centers for Teaching and Learning and Faculty Excellence to foster Instructional Innovations designed to enhance student success. Such innovations may come in the form of structured programs to foster HIP and EBTP integration within and across the curriculum; scholarship of teaching and learning (SoTL) institutes that empower UA teacher-scholars to become generators of new and impactful evidence-based teaching practices; and mentoring programs that strengthen the bond between students, students and faculty, and students and their home institution.

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ROI: By cultivating strong mentoring networks, instructional innovation incubators, and SoTL institutes, we strengthen the personal, academic, and professional connections that are proven to increase student engagement, retention, and degree completion while fostering a culture of teaching and learning excellence. Ultimately, our retention efforts must be seen and felt by our students in their academic lives --their classes and their interactions with their faculty. This brings faculty into the picture of student success, and the diffusion of ideas and innovations across departments by trusted peers helps build a culture of student-centered innovation that outlives and far exceeds this investment.

Approved by BOR 11.06.26

University of Alaska

Tier 2 - Workforce, Career Readiness, Research & Economic Development Initiatives

(in thousands of $)

MAU		Unrestr'd General Funds (UGF)	Univ. Receipts (UAR)	Federal (FED)	Stat. Desig. Program Rcpts (SDPR)	Total Funds	FTE
UAA	Nursing Pathways Student Success Program	1,375.0	600.0			1,975.0	7
UAA	Air Traffic Controller Expansion	650.0	325.0			975.0	3
UAF	Investing in Academic Programs and Financial Aid Capacity to Meet Student Demand and Workforce Needs	700.0	1,000.0			1,700.0	9
UAF	Strengthening Alaska Native Language Center and Rural Honors Institute	250.0			100.0	350.0	2
UAF	Supporting the Research Enterprise	650.0		2,420.0		3,070.0	7
UAF	R1 Strategy Continuity	7,500.0				7,500.0	
UAF	Alaska Center for Unmanned Aircraft Systems Integration (ACUASI): Drone Program	6,000.0		24,000.0		30,000.0	2
UAF	Agriculture and Food Systems for Alaska's Economic Sustainability	1,500.0		5,400.0		6,900.0	
UAF	Enabling Effective Energy Choices for Alaska	1,500.0		400.0	100.0	2,000.0	2
UAS	Workforce Grants Developer	150.0	20.0			170.0	1
UAS	Advancing Student Success in Career Readiness	150.0	20.0			170.0	1
	Tier 2 Initiatives Total	**20,425.0**	**1,965.0**	**32,220.0**	**200.0**	**54,810.0**	**34**

Approved by ROR 11.06.25

Workforce, Career Readiness, Research & Economic Development Initiatives
(UGF: $20,425.0, UAR: $1,965.0, FED: $32,220.0, SDPR: $200.0, Total: $54,810.0; 34 FTE)
Budget requests tied to top programmatic priorities outside the SAF requests and related to workforce, career readiness, research, and economic development.

UAA Nursing Pathways Student Success Program
(UGF: $1,375.0, UAR: $600.0, Total: $1,975.0; 7 FTE)
This investment aims to better support students in pre-degree health care pathways, like the pre-nursing major. The students in these pathway programs must complete certain course requirements before they can advance into their selected health care program. Due to the volume of students, these courses are offered in large sections (e.g., Anatomy and Physiology at 150 students per section), which results in lower student success.

This request adds faculty positions, enabling UAA to offer smaller sections with improved support for students pursuing nursing degrees, among other health care programs. In addition, this funding adds additional academic advisors who can help guide students into nursing or other health care programs with capacity that meets the student's career goals and the state's demand for health care jobs. Overall, this request would add four faculty, three advisors, and student peer support positions.

In addition, this request will provide $400,000 for student aid and travel scholarships for remote sites. Currently, remote sites require a minimum cohort of four nursing students. This funding will enable students who want to pursue nursing education at remote sites to participate in cohorts on other campuses through travel and computer equipment aid.

ROI: UAA expects to increase enrollments for the bachelor's in nursing by as much as 75 per year. UAA currently has over 800 students in the pre-nursing major. Of those who don't advance into the bachelor's in nursing, 50% stop out. For those students who cannot advance into nursing, the additional advising positions will guide them to other health care degrees offered by UAA, such as dental hygiene, radiological technology, surgery technology, and medical assisting. Based on anticipated tuition and fee revenue of $8,000 per student, this impact equates to $600,000 in earned revenue per year, which will compound through retention. ROI to the state is increased productivity in health care workforce jobs and retaining talent.

UAA Air Traffic Controller Expansion
(UGF: $650.0, UAR: $325.0, Total: $975.0; 3 FTE)
This request aims to double UAA's air traffic control (ATC) program enrollment to meet state labor needs. Current student enrollment is about 45 students, but the facilities can accommodate up to 90 without additional physical plant investment. 96% of UAA ATC graduates are successful after their 3-month certification program at the Federal Aviation Administration (FAA) training center in Oklahoma City. Reuters reports the average pass rate is 65%, making UAA ATC one of the most successful training programs in the nation. These high marks give UAA ATC graduates the ability to select where they work, with many choosing to come back to Alaska.

In addition to expanding UAA ATC's current approach, UAA anticipates receiving an Enhanced Collegiate Training Initiative (ECTI) designation from the FAA. This ECTI designation means UAA ATC graduates can go directly into the workforce upon graduation, avoiding the 3-month certification program in Oklahoma City. This designation will make UAA ATC even more attractive to individuals seeking a career in air traffic control.

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To enable this program expansion and to capitalize on the ECTI designation, UAA needs additional faculty and student aid support. This request will add two additional faculty members and one lab technician to manage a second cohort of ATC students and their associated lab work. UAA has already received $87,000 in one-time support (FY27 Technical Vocational Education Program) for equipment upgrades to achieve the ECTI designation. In addition to the faculty members, UAA seeks to provide $100,000 in additional student aid to attract students into the program. Additional program costs will be covered by earned revenue.

ROI: This expansion will double throughput of trained Air Traffic Controllers through UAA's already strong training program. The addition of the ECTI designation means this expansion will rapidly increase the number of trained air traffic controllers in Alaska, meeting the state's unique logistical challenges. Several airports in Alaska, including Merrill Field and Fairbanks International, have begun curtailing air traffic control tower operating hours due to staffing constraints, magnifying Alaska's pressing labor demand. In raw earned revenue dollars, this expansion will achieve additional annual tuition revenue of $325,000.

UAF Investing in Academic Programs and Financial Aid Capacity to Meet Student Demand and Workforce Needs
(UGF: $700.0, UAR: $1,000.0, Total: $1,700.0; 9 FTE)
This investment expands UAF's capacity in high-demand academic and workforce programs while strengthening the graduate enrollment pipeline. Funding will add faculty in high-demand fields including data analytics, energy, biology and wildlife, psychology, Indigenous Studies, emergency medical services (EMS), Licensed Practical Nurse (LPN), and welding; expand graduate recruitment and financial aid capacity; and support program coordination needed to serve growing enrollment. Together, these investments respond directly to Alaska's workforce needs, increase access to high-demand programs, support UAF's R1 goals, and ensure the Community and Technical College (CTC) can expand programs that are already operating at capacity. It includes the following specific investments:

- Investing in High-Demand Degree Programs $300,000
- Graduate Enrollment: Recruiting and Financial Aid Capacity $200,000
- Community and Technical College (CTC) Meeting Industry Workforce Needs $200,000

ROI: These investments have the potential to generate approximately $1 million or more in annual tuition revenue through an estimated 100–115 additional undergraduate and graduate students, while supporting approximately 50 CTC graduates annually in critical workforce fields and expanding the pipeline of skilled professionals needed across Alaska. By adding faculty and instructional capacity in high-demand programs, UAF will be able to accommodate students who might otherwise be turned away, waitlisted, or delayed in completing their degrees. Expanded graduate recruitment and financial aid capacity will strengthen graduate enrollment.

UAF Strengthening Alaska Native Language Center and Rural Honors Institute
(UGF: $250.0, SDPR: $100.0, Total: $350.0; 2 FTE)
This investment strengthens UAF's support for Alaska Native students and communities by expanding pathways to enrollment and degree completion while preserving and revitalizing Alaska Native languages. Funding for the Rural Alaska Honors Institute (RAHI) will strengthen the student success pipeline for rural and Alaska Native students, expand workforce-focused pathways, improve persistence and completion, and increase philanthropic support for the program. Funding for the Alaska Native Language Center (ANLC) will expand instruction, research, and development of educational materials that support the revitalization

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and documentation of endangered Alaska Native languages. Together, these investments advance UAF's commitment to student success, cultural preservation, workforce development, and the Systemwide Attainment Framework's Students-First Action Agenda priorities. It includes the following specific investments:

- Strengthening Rural Alaska Honors Institute (RAHI) for Alaska Native Success $100,000
- Strengthening the Alaska Native Language Center (ANLC) $150,000

ROI: These investments are expected to generate approximately $100,000 annually in philanthropic support for RAHI. Success will be measured by increased enrollment and student persistence, expanded workforce pathways, and strengthening the pipeline of Alaska Native language speakers, educators, and professionals who contribute to communities across Alaska.

UAF Supporting the Research Enterprise
(UGF: $650.0, FED: $2,420.0, Total: $3,070.0; 7 FTE)
This investment strengthens UAF's research enterprise by expanding capacity for high-impact research, improving research data and decision-making, supporting critical federal compliance, and leveraging external partnerships and funding. Investments in the Large Animal Research Station (LARS) will expand research, experiential learning, and external funding opportunities while supporting UAF's R1 goals. Support for a Defense Innovation Unit (DIU) Hub will leverage UAF's expertise in energy, hypersonics, drones, remote sensing, and space systems to advance national security and Arctic priorities while bringing significant federal investment to Alaska. Dedicated support for the Native American Graves Protection & Repatriation Act (NAGPRA) compliance at the UA Museum of the North will ensure UAF meets federal requirements and maintains its longstanding relationships with Alaska Native tribes. Research data analytics capacity will strengthen oversight and management of UAF's growing research portfolio, identify funding opportunities, improve operational efficiency, and provide the data needed to strategically grow externally funded research and graduate education. It includes the following specific investments:

- Growing Animal Research & Teaching $100,000
- Defense Innovation Unit (DIU) - Core Hub Support (Match) $250,000
- Supporting NAGPRA at the UA Museum of the North $100,000
- Research Data Analytics for Decision Making $200,000

ROI: Collectively, these investments are expected to leverage $2.4 million in federal funding through the DIU Hub, generate approximately $365,000 annually in direct and indirect revenue and other measurable savings and instructional revenue from LARS, strengthen UAF's ability to secure and manage additional external research funding, support graduate and undergraduate education and workforce development, and protect the university from financial, regulatory, and reputational risks associated with federal noncompliance. In addition to increased leveraged federal funding, UAF will measure success by demonstrating growth in externally funded research, and improved administrative efficiency in reporting and federal compliance.

UAF R1 Strategy Continuity
(UGF: $7,500.0, NGF: $0.0, Total $7,500.0)
Achieving doctoral excellence and, as a result, securing Carnegie R1 research status at UAF has the potential to transform Alaska's economy. To qualify for Carnegie Classification R1 (Very High Research Activity) status under the 2025 institutional classification standards, a university is required to award at least 70 research doctorates per year (total of 210 over a 3 year period), alongside at least $50

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million in annual research and development (R&D) expenditures. UAF has ~$250 million in R&D expenditures and averaged between 31-38 doctoral graduates annually between FY24-26.

With the help of a one-time investment of $12.5M from the State of Alaska, UAF has made advancements in strengthening doctoral infrastructure and pipeline. Total PhD enrollment increased from 320 students in FY24 to 359 in both FY25 and FY26, representing a 12.2% increase. Growth in doctoral admissions has been even more pronounced, rising from 66 admitted PhD students in FY24 to 104 in FY25 and 137 in FY26, representing an increase of 58% and 107%, respectively. FY26 included 474 PhD applications, compared to 198 in FY24, a 138% increase in just two years.

These trends demonstrate meaningful momentum while underscoring the need for sustained, coordinated action to improve doctoral student retention, success, and completion. Recognizing that (a) substantially increasing UAF's doctoral completions will require additional financial resources, and (b) that Carnegie may revise its classification standards in 2028, UAF's plan moving forward is to secure recurring base funding to support multi-year award packages for highly competitive PhD students.

UAF Alaska Center for Unmanned Aircraft Systems Integration (ACUASI): Drone Program
(UGF: $6,000.0, FED: $24,000.0, Total: $30,000.0; 2 FTE)
This investment is a request to institutionalize the results of a multi-year effort spearheaded by the State of Alaska to create a drone economy. After several years of start-up funding, UAF is shifting its request to sustain a focus on outcomes related to training the new drone workforce and furthering gains made with testing, development, and implementation of strategies required to regulate and integrate drone safety into the Arctic and aviation environments.

This request will further the development of a technical workforce for this economy through UAF's College of Engineering and Mines (CEM) and Community and Technical College (CTC), the University of Alaska Southeast (UAS) through hazard mitigation instruction, and University of Alaska Anchorage (UAA) Institute of Social and Economic Research (ISER).

- $500,000 - The Bachelor's of Science degree in Aerospace Engineering, launched in Fall 2023, is CEM's fastest-growing program. In Fall 2026, Aerospace has 27 new enrollees, which is second only to Mechanical Engineering (38 new enrollees) among CEM's ten active bachelor degree programs. Notably, 12 of Aerospace's 27 new students originated from out-of-state, which exceeds CEM's average of approximately 25% out-of-state students across all programs. Aerospace Engineering is CEM's fast-growing program and is CEM's second-largest in terms of freshman class size. This demonstrates a notable capacity to draw more out-of-state students to the University of Alaska. Expanding faculty capacity to quickly meet student demand can be achieved with the addition of a permanent faculty member; modern equipment for instructional purposes; an engineering tower and icing experiments (anti-icing and de-icing technologies for drones at UAF's icing research tower); and graduate student support.
- $500,000 - Sustained investment in CTC will provide for a full-time faculty member to teach Unmanned Aerial Vehicle (UAV) courses (as part of the UAV Occupational Endorsement program) in Fairbanks. It will also support a full-time faculty member, with travel funds, to teach UAV courses in rural Alaska; providing training for the Department of Transportation (DOT), construction industry/companies, and first responders. This investment will also support drone equipment and refresh it to keep pace with modern technology and changing standards for instructional purposes. The CTC program trains drone operations for Federal Aviation

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Administration (FAA) 107 testing and licensing, which is required for all commercial flying, including industry, state, and federal employees.

- $300,000 - This investment for the University of Alaska Southeast will support drone equipment and regular technology refresh for the UAS Natural Science program, plus faculty support. This ongoing salary support, combined with equipment and technology refresh, supports hazard mitigation drone teaching and research at UAS. The UAS Natural Science team uses drones to great effect, especially for monitoring the effects of glacial flood outburst and other scientific studies.
- $700,000 - This request includes funds for the equipment and data sets needed to conduct economic research about the effects of drone cargo delivery and passenger transport via UAA's Institute of Social and Economic Research (ISER). The ISER team will conduct research on weather, broken instrumentation, and route impacts, including the economics for air carriers and air cargo in Alaska, which help inform regulatory and policy development in this emerging industry. The ISER team's economic analyses are influencing FAA decisions about priority locations for the deployment of weather and improved navigational systems for air carriers across Alaska. This is improving the frequency of air cargo and passenger transport to remote communities.
- $4,000,000 - The request will support the Alaska Center for Unmanned Aircraft System Integration (ACUASI) as it seeks to develop, test, and implement the technologies required to implement the long, beyond-visual-line-of-sight flights across Alaska, required for a host of Alaskan missions such as: medical deliveries to remote communities; the FY28 surveillance of pipelines and powerlines; mammal counts; and cargo delivery. ACUASI will foster Alaskan start-up drone companies, work to attract aerospace companies to Alaska, and create public-private partnerships of benefit to the State. ACUASI also partners with local military organizations to provide cold-weather drone training and testing, as well as base Counter-drone defense testing.

ROI: This project benefits the State of Alaska through the development of the technological, economic, and workforce foundation for a drone economy. ACUASI has approximately tripled its income from commercial entities using the FAA UAS Test Range from ~$691,000 to $2,040,000 in two years. It has also developed relationships that have brought in $2.0 million in funding from non-profit/charitable foundations. ACUASI has strengthened partnerships with and developed capabilities that support U.S. Military organizations such as Eielson AFB, Ft. Wainwright, Special Operations Command North (SOCNORTH), U.S. Northern Command North American Aerospace Defense Command (NORAD-NORTHCOM), the Defense Innovation Unit, etc. ACUASI has multiple efforts lined up for significant funding through the University Affiliated Research Center at UAF. ACUASI continues to receive funding from the FAA and other Federal organizations and is part of several rural health transformation initiative projects in Alaska.

ACUASI has driven the FAA to focus on missions of importance to Alaska (*Bigger, Farther, Higher*), and the large drones purchased under the previous years' funding are conducting medical supply and cargo delivery demonstrations. Drones will be equipped with radar Detect and Avoid systems to test the industry standards needed to allow beyond-visual-line-of-sight operations, such as large-area surveying, long-distance flights for medical supply or cargo delivery. Making a State commitment to continue supporting ACUASI will ensure continued outcomes in this budding and dynamic industry.

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UAF Agriculture and Food Systems for Alaska's Economic Sustainability
(UGF: $1,500.0, FED: $5,400.0, Total $6,900.0)
A sustained commitment to an increase in base operating support will enable the Institute of Agriculture, Natural Resources and Extension (IANRE) to expand critical outreach to Alaska's communities and support graduate and undergraduate students entering the food systems workforce. Areas of investment include: 4-H youth and development, agricultural economics, post-harvest safety and preservation, small livestock nutrition, specialty crop production, horticulture best practices for field and indoor cropping systems, pest management, soil health, plant breeding, and waste stream recycling.

Investment in IANRE will attract students to degree programs across disciplines and levels—from associate degrees to postdoctoral studies—by providing opportunities to participate in food systems work at all levels, from student gardens to policy development to business design. IANRE supports researchers in the agricultural and natural sciences and joint-appointed faculty in Veterinary Medicine and Natural Resource Management. Collaborations with researchers and faculty across disciplines are at the heart of food systems work, and increased investment will allow IANRE to grow these collaborations. The $18.5 million U.S. Department of Agriculture (USDA) NextGen Program organized resources to leverage four cohorts of food systems scholars. The program has established a framework for IANRE to engage students across academic program areas and effectively expose them to career opportunities in food, agriculture, natural resources and the environment (FANRE) fields.

IANRE supports Alaska's land-grant mission through research-based, non-credit outreach and education that connect Alaskans to the University. This work in Alaska's communities and food system delivers solutions to real-world challenges while connecting Alaska's communities and citizens to UAF's work.

As UAF's experts in agriculture and natural resources, IANRE works to strengthen Alaska's food system. There is tremendous interest in this work by graduate and undergraduate students, stakeholders, and the UAF campuses. Many other UAF departments have adjacent work happening in this area as well; however, IANRE is the one department (in the UA system) federally funded to bring this work together and coordinate across the university a response to the need for a strong food system in Alaska.

Most farms in Alaska are considered small specialty crop farms by the United States Department of Agriculture (USDA); resources from out-of-state "big agriculture" do not work to help Alaska farmers get more food to market. A sustained investment would be used to increase IANRE's ability to boost agriculture research and outreach to industry experts who can work with Alaska farmers to support growth of our food supply. Agriculture in Alaska needs targeted research due to the unique and changing conditions experienced in the state, and science-based solutions need to be put into the hands of the producers who can strengthen the Alaska food system.

IANRE relies on state and other non-federal matching funds to leverage its federal investment. Without increased investment from our state partners, IANRE cannot increase its capacity to address the needs of Alaska's communities.

ROI: Food systems work spans the gamut of UAF degree programs, including: Natural Resource Management; Business Management and Accounting; Communications; Education, Science and Engineering; and Political Science and Governance. A recent Purdue study found that FANRE employment opportunities are expected to grow nationally by over 100,000 jobs a year over the next 5 years, while the number of graduates ready for these careers is expected to fall over 28,000 students short of that number each year. 25% of these positions will be in the western United States. This

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employment pipeline is critical for Alaska, where over 95% of food is imported, making local FANRE workforce development vital for state resilience and security.

UAF Enabling Effective Energy Choices for Alaska
(UGF: $1,500.0, FED: $400.00, SDPR: $100.0, Total: $2,000.0; 2 FTE)
The Alaska Center for Energy and Power (ACEP) fosters innovative solutions to Alaska's energy challenges and is a gateway for energy-related activity at the University of Alaska Fairbanks. ACEP works to develop and disseminate effective, economic, and innovative energy solutions for Alaska and beyond. This funding request is for ACEP to update the Alaska Energy Data Gateway, the centralized energy information repository for the state; to conduct representative polling to assess public sentiments towards energy challenges in Alaska as well as attitudes towards different energy generation technologies, including advanced nuclear energy generation; and to conduct initial, low-fidelity assessments of the technical feasibility of utilizing advanced nuclear at two sites.

Deliverables include an updated Alaska Energy Data Gateway; updated Advanced Nuclear Generation Assessment; representative poll of public sentiments regarding energy choices facing Alaskans; two site-specific advanced nuclear generation integration assessments. This request will also support at least two early-career joint (research/academic) faculty as well as at least three PhD students and multiple undergraduate students.

ROI: ACEP's return on state investment is approximately 7:1, to date. For every $1M in state support, ACEP brings in approximately $7M in non-state (federal, industry and/or philanthropic) funding. It is also expected that this investment will be used to support at least three PhD students and will allow ACEP to continue exploring affordable energy solutions to meet Alaska's needs.

UAS Workforce Grants Developer
(UGF: $150.0, UAR: $20.0, Total: $170.0; 1 FTE)
Funding is requested for a permanent workforce grants developer to enable UAS to scale up its ability to obtain grants from both public and private sources for training, retaining, and graduating students who are prepared to meet the high demand workforce needs in Alaska, particularly in Career and Technical Education (CTE) but also in other high-impact areas. Diversifying revenue sources while supporting students as they prepare to enter the Alaskan workforce is a key goal within the UAS strategic plan. While state support and enrollment revenue are important sources of funding, it is critical that UAS obtain external funding for preparing students to enter the workforce. Currently, UAS has one position dedicated to research grant proposal preparation. An additional position would double UAS' ability to offer support and training for workforce entry.

ROI to UA: Comparable workforce grant development positions routinely generate between $1 and $3 million in annual external funding. Assuming an annual position cost of approximately $170,000, this represents a potential external funding return of $6–$18 for every dollar invested. This position can provide support for students to enter the workforce, capital improvements that aid in workforce development, and trained instructors that would otherwise require institutional resources.

ROI to Alaska: UAS' goal is to increase enrollment by at least 23% by FY30, which amounts to 414 graduates. Given that 87% of UAS graduates are employed in Alaska within one year of graduation and the average per capita personal consumption (PE) for individuals in Alaska of $66,356 (which includes housing, utilities, healthcare, food/beverages, gasoline/energy, and other PE expenditures) per year, the

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economic value of 360 graduates (87% of 414) joining the Alaska workforce is approximately $23.9 million*.

* Based on the most recent data available from the U.S. Bureau of Economic Analysis (2024 data).

UAS Advancing Student Success in Career Readiness
(UGF: $150.0, UAR: $20.0, Total: $170.0; 1 FTE)
The Internship Program Coordinator serves as a catalyst for expanding hands-on learning opportunities that connect academic programs with Alaska's workforce needs. By developing partnerships with employers, Tribal organizations, healthcare providers, government agencies, and industry leaders, this position increases the number of internship and apprenticeship opportunities available to students while strengthening relationships that can lead to future grants, contracts, philanthropic support, and workforce initiatives. This position also improves operational efficiency by streamlining internship tracking, reporting, assessment, and employer engagement across the university. A final benefit of this position is that it enables the Career Services Office to strengthen its ability to do job placements for UAS' graduates.

ROI to UA: This position will have a direct, positive impact on retention of students as well as their graduation and employment in Alaska. Retaining even 5% of UAS students due to these efforts will result in saved revenue of $1.08 million per year (based on 180 students taking 24 credits per academic year at the lower division rate of $251 per credit).

ROI to Alaska: Approximately 87% of UAS graduates are employed in Alaska within one year of graduation. Given this percentage and the average per capita personal consumption for individuals in Alaska of $66,356 (which includes housing, utilities, health care, food & beverages, gasoline/energy, and other personal consumption expenditures) per year, the economic value of 156 (87% of 180 students) graduates is approximately $10.4 million*.

* Based on the most recent data available from the U.S. Bureau of Economic Analysis (2024 data).

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