Proposed
FY08 Operating Budget
Distribution Plan

Board of Regents
June 6-7, 2007
Fairbanks, Alaska

Prepared by Statewide Planning & Budget
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Due to time constraints full reference documents were not available at print time of the Board agenda. This document includes a reprint of the agenda item narrative for the Acceptance of the FY08 Operating Budget Appropriations and Approval of the FY08 Operating Budget Distribution Plan included in the Board of Regents June 6-7 meeting agenda and the full reference document for this agenda item.

Acceptance of the FY08 Operating Budget Appropriation and Approval of the FY08 Operating Budget Distribution Plan

The President recommends that:

MOTION #1
"The Finance Committee recommends that the Board of Regents accepts the FY08 Operating Budget Appropriation as presented. This motion is effective June 6, 2007."

MOTION #2
"The Finance Committee recommends that the Board of Regents approves the FY08 Operating Budget Distribution Plan as presented. This motion is effective June 6, 2007."

POLICY CITATION
Regents' Policy 05.01.01.A. – Budget Policy, states, "The budget of the University of Alaska represents an annual operating plan stated in fiscal terms."

Regents' Policy 05.01.04 – Acceptance of State Appropriations, states "State appropriations to the university must be accepted by the Board of Regents before any expenditure may be made against the appropriation." (09-30-94)

RATIONALE/RECOMMENDATION
President Hamilton and Vice President Pitney will discuss the legislative appropriations and propose an operating budget distribution plan for approval. At the time of this writing, the legislature has just finalized the operating and capital budgets. **Due to time constraints full reference documents will be provided under separate cover and will be sent for review prior to the meeting.** Below is a system budget summary and initial distribution plan considerations.

The legislature recently passed the state operating budget that includes a state appropriation net increase of $10 million for UA, a 3.5% increase. This is $16.3 million below meeting the Board of Regents' full FY08 budget request. The result of the shortfall is $1.6 million of unmet retirement funding and no funding for the $14.7 million in priority program enhancement and growth requests. UA's state appropriations, including general fund, work force development funds, and mental health trust general funds, total $292.5 million, up from $282.5 million. Adding university generated revenue from tuition, federal and university receipts,

UA's total budget for FY08 is $798.8 million compared to $774.1 million in FY07.

Retirement changes complicate FY08 budget figures. FY08 participating employer retirement rates were lowered substantially from the level originally budgeted for FY08, and the Teachers Retirement System rates are now below the FY07 level. These rates reduced UA's requirement obligations by $4.6 million. Unfortunately, the operating budget reduced UA's funding by $6.2 million from the FY07 level creating the $1.6 million state appropriation shortfall.

Funding from state appropriations covers $1.6 million less than UA's compensation and fixed cost increases and no funding for key programs. However, given the critical and urgent nature of proceeding with key workforce programs, base funding reallocations are being considered as part of the operating budget distribution plan. The estimated 160 additional graduates per year in the FY08 high demand occupation program requests are critical to the state. Delaying these programs means foregoing the opportunity of Alaskan's to fill important jobs.

Part of the operating budget distribution recommendations will include the status of performance-based budgeting (PBB) and FY08 PBB distribution principles. Original PBB funding was established in FY05 with one-time distributions to MAUs that year. In FY06, base awards were distributed. In FY07, base plus one-time awards were distributed. Given that the FY07 awards were allocated to the base, the FY08 recommendation will include a provision to replenish the PBB funding pool with $2.0 million of base operating funds. PBB funding distributions, though modest, have provided sufficient incentive to MAUs to pursue Board of Regents' strategic goals.

The full budget distribution plan reference document will contain a comparison of FY08 Requested and Authorized Budgets, a summary of the FY08 operating budget appropriation distribution plan, a summary of changes from the FY07 operating budget, an overview of the current budget distribution, a 5-year representation of UA's budget and key performance measures, and information on UA performance-based budgeting progress. MAU and campus budget distribution and trend information will also be provided in the reference.

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Proposed
FY08 Operating Budget Distribution Plan
Introduction

UA's state appropriations, including general fund, work force development funds, and mental health trust general funds, total $292.5 million in FY08, up from $282.5 million in FY07. Adding university generated revenue from tuition, federal and university receipts, UA's total budget for FY08 is $798.8 million compared to $774.1 million in FY07.

The President's recommended operating budget distribution plan advances the Board of Regents' top priority of meeting Alaska's highest demand workforce training needs and continues emphasis on performance funding. Unfortunately, the FY08 state appropriation increase of $10 million is $1.6 million below UA's compensation and fixed cost increases; therefore, funding to address the Boards' priority program requests is only available through significant internal reallocations.

As a result of directing funding through reallocation, at program maturity, UA will train an estimated 120 additional graduates per year in these specific high demand programs. Remember though, there is a cost to the reallocation; enrollment and graduates in other programs will decline as resources are shifted to these highest priority programs. Relative to UA's performance measures, the goal of this distribution plan is to meet growth targets in high demand job graduates and student retention; however, student credit hour enrollment, research, and university generated revenue growth will fall below original expectations. Quantifying the consequence of the reallocation will take some time; however, moving forward is essential as delaying these programs means foregoing the opportunity of Alaskans to fill these key Alaska occupations.

The proposed distribution plan provides for funding compensation and fixed cost increases using the FY08 funding increment of $10 million, replenishing the performance-based budgeting (PBB) pool funding to $2 million, implementing a base general fund reallocation of $2.5 million for priority program growth, and jump starting $1.0 million of priority programs with temporary funding sources. In UA's state appropriations, the $2.5 million base reallocation for priority programs and PBB funding of $2 million represents a 1.5 percent reallocation for priority programs and the $1.6 million retirement shortfall represents a 0.5 percent reduction. A summary of this distribution plan is provided on page 8.

Considering both base and temporary funding sources, a total of $3.5 million of the Boards' $6.7 million request for Preparing Alaskans for Jobs programs are accommodated in this distribution plan. Of particular note is core funding for nursing, statewide delivery of allied health programs, UAA's engineering program expansion, mining and petroleum training, and the statewide geography program. Programs being funded through a temporary funding source include the construction management start-up, the WWAMI expansion, and dental hygiene program in Fairbanks. A full list of the priority programs funded via base and temporary sources is provided on page 11.

Keep in mind, there are no state funding distributions for the Boards' additional priority requests for competitive research ($6.0 million), student success ($1.5 million), or program support ($0.5 million).

The FY08 operating presentation will include the following topics:

Section 1: Review the FY08 Proposed Distribution Plan including the impact on priority programs, MAU, and campus budgets (see pages 5-23).

Section 2: Review UA's budget trend, funding sources, past distribution plan decisions, and significant budget changes including retirement (see page 27-34).

Section 3: Review UA's performance measures expectations, the impact of the FY08 distribution plan, and the corresponding five year budget model (see pages 37-47).

After approval of the FY08 operating distribution plan, the President through Statewide Planning and Budget will work with the campuses to implement the distribution plan. Over the course of June and July the campuses will quantify individual campus reallocation decisions and additional technical and one-time adjustments will be incorporated. Authorized campus level budgets in accordance with the distribution plan will be available in late August.

Section 1

University of Alaska
FY08 Original BOR Operating Budget Request Summary
Compared to Revised BOR Request for Retirement

($000's)

	FY08 BOR Operating Request					
	Original BOR Request			Revised BOR Request		
	State Approp.	Receipt Authority	Total	State Approp.	Receipt Authority	Total
General Fund/General Fund Match	279,449.2		279,449.2	279,449.2		279,449.2
Technical Vocational Education Program Account	2,882.0		2,882.0	2,882.0		2,882.0
Mental Health Trust	200.8		200.8	200.8		200.8
Receipt Authority		491,575.1	491,575.1		491,575.1	491,575.1
FY07 Authorized Operating Budget	**282,532.0**	**491,575.1**	**774,107.1**	**282,532.0**	**491,575.1**	**774,107.1**
FY08 Retirement Funding Requirement	**37,023.3**	**3,864.7**	**40,888.0**	**(4,627.1)**	**3,864.7**	**(762.4)**
Adjusted Base Requirements						
Total - Salary Increases	8,063.3	3,691.4	11,754.7	8,063.3	3,691.4	11,754.7
Total - Health Care	4,925.5	2,091.7	7,017.2	4,925.5	2,091.7	7,017.2
Total Other Fixed Costs	4,549.5	6,152.2	10,701.7	4,549.5	6,152.2	10,701.7
Subtotal - Adjusted Base Increments	**17,538.3**	**11,935.3**	**29,473.6**	**17,538.3**	**11,935.3**	**29,473.6**
FY08 Adjusted Base Requirement	*6.2%*	*2.4%*	*3.8%*	*6.2%*	*2.4%*	*3.8%*
Total Adjusted Base and Retirement Requirement	**337,093.6**	**507,375.1**	**844,468.7**	**295,443.2**	**507,375.1**	**802,818.3**
Priority Program Enhancement and Growth						
Preparing Alaskans for Jobs	6,708.8	2,840.0	9,548.8	6,708.8	2,840.0	9,548.8
Health	*2,056.5*	*680.0*	2,736.5	*2,056.5*	*680.0*	*8,209.5*
Engineering and Construction	*930.0*	*205.0*	1,135.0	*930.0*	*205.0*	*3,405.0*
Fisheries	*1,000.0*	*1,000.0*	2,000.0	*1,000.0*	*1,000.0*	*6,000.0*
Additional High Demand Programs	*605.0*	*270.0*	875.0	*605.0*	*270.0*	*2,625.0*
Strengthening Existing Programs	*2,117.3*	*685.0*	2,802.3	*2,117.3*	*685.0*	*8,406.9*
University Research Investment (Phase 2 of 5)	6,000.0	17,113.9	23,113.9	6,000.0	17,113.9	23,113.9
Accountability	2,000.0	1,000.0	3,000.0	2,000.0	1,000.0	3,000.0
Base Reallocations						
Subtotal - Program Enhancement and Growth	**14,708.8**	**20,953.9**	**35,662.7**	**14,708.8**	**20,953.9**	**35,662.7**
Technical Adj. DNR Project Change	150.0	(150.0)	-	150.0	(150.0)	-
Technical Adj. ETS Chargeback	4.0		4.0	4.0		4.0
Total FY08 Increment	**69,424.4**	**36,603.9**	**106,028.3**	**27,774.0**	**36,603.9**	**64,377.9**
Total FY08 Operating Budget	**351,956.4**	**528,179.0**	**880,135.4**	**310,306.0**	**528,179.0**	**838,485.0**
Change W/O Retirement FY07-FY08	**32,401.1**	**32,739.2**	**65,140.3**	**32,401.1**	**32,739.2**	**65,140.3**

University of Alaska
FY08 Revised BOR Operating Budget Request Summary
Compared to Conference Committee

($000's)

	Revised BOR Request			Conference Committee			State Approp. Over/Under Revised BOR
	State Approp.	Receipt Authority	Total	State Approp.	Receipt Authority	Total	
General Fund/General Fund Match	279,449.2		279,449.2	279,449.2	-	279,449.2	-
Technical Vocational Education Program Account	2,882.0		2,882.0	2,882.0		2,882.0	-
Mental Health Trust	200.8		200.8	200.8		200.8	-
Receipt Authority		491,575.1	491,575.1		491,575.1	491,575.1	-
FY07 Authorized Operating Budget	**282,532.0**	**491,575.1**	**774,107.1**	**282,532.0**	**491,575.1**	**774,107.1**	**0.0**
FY08 Retirement Funding Requirement	**(4,627.1)**	**3,864.7**	**(762.4)**	**(6,256.5)**	**3,864.7**	**(2,391.8)**	**(1,629.4)**
Adjusted Base Requirements							
Total - Salary Increases	8,063.3	3,691.4	11,754.7	8,063.3	3,691.4	11,754.7	0.0
Total - Health Care	4,925.5	2,091.7	7,017.2	4,925.5	2,091.7	7,017.2	0.0
Total Other Fixed Costs*	4,549.5	6,152.2	10,701.7	2,900.0	4,887.0	7,787.0	(1,649.5)
Subtotal - Adjusted Base Increments	**17,538.3**	**11,935.3**	**29,473.6**	**15,888.8**	**10,670.1**	**26,558.9**	**(1,649.5)**
FY08 Adjusted Base Requirement	*6.3%*	*2.4%*	*3.8%*	*5.8%*	*2.2%*	*3.4%*	*5.8%*
Total Adjusted Base and Retirement Requirement	**295,443.2**	**507,375.1**	**802,818.3**	**292,164.3**	**506,109.9**	**798,274.2**	**(3,278.9)**
Priority Program Enhancement and Growth							-
Preparing Alaskans for Jobs	6,708.8	2,840.0	9,548.8	252.3	260.0	512.3	(6,456.5)
Health	*2,056.5*	*680.0*	*6,061.1*			-	*(2,056.5)*
Engineering and Construction	*930.0*	*205.0*	*2,265.0*			-	*(930.0)*
Fisheries	*1,000.0*	*1,000.0*	*2,000.0*			-	*(1,000.0)*
Additional High Demand Programs	*605.0*	*270.0*	*1,715.0*			-	*(605.0)*
Strengthening Existing Programs	*2,117.3*	*685.0*	*3,522.3*			-	*(2,117.3)*
University Research Investment (Phase 2 of 5)	6,000.0	17,113.9	23,113.9			-	(6,000.0)
Accountability	2,000.0	1,000.0	3,000.0	-	-	-	(2,000.0)
Subtotal - Program Enhancement and Growth	**14,708.8**	**20,953.9**	**35,662.7**	**252.3**	**260.0**	**512.3**	**(14,456.5)**
Technical Adj. DNR Project Change	150.0	(150.0)	-	150.0	(150.0)	-	-
Technical Adj. ETS Chargeback	4.0		4.0	4.0		4.0	-
Total FY08 Increment	**27,774.0**	**36,603.9**	**64,377.9**	**10,038.6**	**14,644.8**	**24,683.4**	**(22,362.5)**
Total FY08 Operating Budget	**310,306.0**	**528,179.0**	**838,485.0**	**292,570.6**	**506,219.9**	**798,790.5**	**(17,735.4)**
Change W/O Retirement FY07-FY08	**32,401.1**	**32,739.2**	**65,140.3**	**16,295.1**	**10,780.1**	**27,075.2**	
% Change	11.7%	6.6%	8.4%	5.9%	2.2%	3.5%	
Change FY07-FY08	**27,774.0**	**36,603.9**	**64,377.9**	**10,038.6**	**14,644.8**	**24,683.4**	
% Change	9.8%	7.4%	17.3%	3.6%	3.0%	3.2%	

*FY08 budget legislation includes a provision for two one-time funding distributions in August and December. If the average oil prices remain above projections funding is expected to be $2,640.0. The FY08 distribution would provide funding at the FY07 level without an increment for FY08 increased costs.

University of Alaska
Comparison of FY08 Requested and Authorized Budget
(in thousands)

Fund Source	FY07 Authorized Budget	FY08 BOR Request	FY08 BOR Revised Request	FY08 Governor's Amended Budget	FY08 Final Conference Committee	Increase over FY07 Authorized: BOR Request	Increase over FY07 Authorized: BOR Revised Request	Increase over FY07 Authorized: Governor's Amended Budget	Increase over FY07 Authorized: Conference Committee
General Fund	$274,671.9	$343,844.0	$302,193.6	$308,584.6	$284,458.2	$69,172.2	$27,521.7	33,912.7	$9,786.3
General Fund Match	4,777.3	4,777.3	4,777.3	4,777.3	4,777.3	0.0	0.0	0.0	0.0
Workforce Development	2,882.0	3,134.3	3,134.3	3,134.3	3,134.3	252.3	252.3	252.3	252.3
Mental Health Trust	200.8	200.8	200.8	200.8	200.8	0.0	0.0	0.0	0.0
State Appropriation Total*	**$282,532.0**	**$351,956.4**	**$310,306.0**	**$316,697.0**	**$292,570.6**	**$69,424.5**	**$27,774.0**	**$34,165.0**	**$10,038.6**
% Change FY07-FY08		24.6%	9.8%	12.1%	3.6%				
Receipt Authority Subtotal	**$491,575.1**	**$528,179.0**	**$528,179.0**	**$506,219.9**	**$506,219.9**	**$36,603.8**	**$36,603.9**	**$14,644.8**	**$14,644.8**
% Change FY07-FY08		7.4%	7.4%	3.0%	3.0%				
Total Fund	**$774,107.1**	**$880,135.4**	**$838,485.0**	**$822,916.9**	**$798,790.5**	**$106,028.3**	**$64,377.9**	**$48,809.8**	**$24,683.4**
% Change FY07-FY08		13.7%	8.3%	6.3%	3.2%				

*Does not include two FY07 one-time utility distributions of $1,320.0 each and the anticipated FY08 amount of $2.6 million.

University of Alaska
FY08 Proposed Operating Budget Distribution Summary
($000's)

	State Appropriation	Receipt Authority	Total Funds
FY07 Authorized Operating Budget	282,532.0	491,575.1	774,107.1
FY07 Performance-Based Budgeting Pool (PBB)	(1,500.0)		(1,500.0)
FY07 Final PBB Distribution	1,500.0		1,500.0
FY07 Operating Budget Base-Revised	**282,532.0**	**491,575.1**	**774,107.1**
FY08 Distribution Plan			
Base Reallocations			
Replenish Performance-Based Budgeting Pool (PBB)	(2,000.0)		(2,000.0)
Distribution TBD based on Performance*	2,000.0		2,000.0
Reallocation from MAU's for Priority Programs	(2,495.0)		(2,495.0)
Available for Reallocation to Priority Programs	2,495.0		2,495.0
Retirement Increments			0.0
Retirement Savings	(4,627.1)	3,864.7	(762.4)
Retirement Shortfall	(1,629.4)		(1,629.4)
Subtotal - Retirement Increments	**(6,256.5)**	**3,864.7**	**(2,391.8)**
FY08 Adjusted Base Increments			
Salary	8,063.3	3,691.4	11,754.7
Health	4,925.5	2,091.7	7,017.2
Fixed Costs	2,900.0	4,887.0	7,787.0
Subtotal - Adjusted Base Increments	**15,888.8**	**10,670.1**	**26,558.9**
Priority Program Enhancement and Growth			
Reallocation to Priority Programs	(2,495.0)		(2,495.0)
Preparing Alaskans for Jobs	2,747.3	260.0	3,007.3
Health	*1,402.3*	*260.0*	*1,662.3*
Engineering and Construction	*565.0*		*565.0*
Fisheries	*0.0*		*0.0*
Additional High Demand Programs	*420.0*		*420.0*
Strengthening Existing Programs	*360.0*		*360.0*
Subtotal - Priority Program Growth	**252.3**	**260.0**	**512.3**
Tech. Adj. DNR Funding Change	150.0	(150.0)	0.0
Tech. Adj. ETS Chargeback	4.0		4.0
FY08 Increment over FY07	**10,038.6**	**14,644.8**	**24,683.4**
FY08 Operating Budget Distribution	**292,570.6**	**506,219.9**	**798,790.5**
% Chg FY07 to FY08	3.6%	3.0%	3.2%
FY08 Anticipated Utility Increase	*2,640.0*		*2,640.0*
*FY08 Operating Budget with one-time utility***	*295,210.6*	*506,219.9*	*801,430.5*

* Distributions will be made in November after MAU performance assessments

**FY08 budget legislation includes a provision for two one-time funding distributions in August and December if average oil prices remain above projections. Funding is expected to be $2.6 million and would provide utility funding at the FY07 level without an increment for FY08 increased costs The potential $2.6 million funding is included in the FY08 Board of Regents' authorized amount.

University of Alaska
FY08 Proposed Operating Budget Distribution Summary by MAU
($000's)

	SYS	SW	UAA	UAF	UAS	Total
FY07 Authorized Operating Budget		23,306.8	101,116.6	133,849.3	24,259.3	282,532.0
FY07 Performance-Based Budgeting Pool (PBB)		(119.0)	(536.2)	(714.3)	(130.5)	(1,500.0)
FY07 Final PBB Distribution		0.0	776.4	564.6	159.0	1,500.0
FY07 Operating Budget Base-Revised		**23,187.8**	**101,356.8**	**133,699.6**	**24,287.8**	**282,532.0**
FY08 Distribution Plan						
Base Reallocations						
Replenish Performance-Based Budgeting Pool (PBB)		(164.1)	(717.5)	(946.5)	(171.9)	(2,000.0)
Distribution TBD based on Performance*	2,000.0					2,000.0
Reallocation for Priority Programs	2,495.0	(204.8)	(895.1)	(1,180.6)	(214.5)	0.0
Retirement Increments						
Retirement Savings		(287.7)	(1,685.2)	(2,334.6)	(319.6)	(4,627.1)
Retirement Shortfall		(101.3)	(593.4)	(822.1)	(112.6)	(1,629.4)
Subtotal - Retirement Increments		**(389.0)**	**(2,278.6)**	**(3,156.7)**	**(432.2)**	**(6,256.5)**
FY08 Adjusted Base Increments						
Salary		433.6	2,831.8	4,285.9	512.0	8,063.3
Health		298.5	2,062.1	2,219.0	345.9	4,925.5
Fixed Costs		746.9	1,165.3	871.0	116.8	2,900.0
Subtotal - Adjusted Base Increments	**0.0**	**1,479.0**	**6,059.2**	**7,375.9**	**974.7**	**15,888.8**
Priority Program Enhancement and Growth						
Reallocation to Priority Programs	(2,495.0)					(2,495.0)
Preparing Alaskans for Jobs	0.0	0.0	2,252.3	350.0	145.0	2,747.3
Health			*1,402.3*			*1,402.3*
Engineering and Construction			*490.0*		*75.0*	*565.0*
Fisheries						*0.0*
Additional High Demand Programs				*350.0*	*70.0*	*420.0*
Strengthening Existing Programs			*360.0*			*360.0*
University Research Investment (Phase 2 of 5)						0.0
Accountability						0.0
Subtotal - Priority Program Growth	**(2,495.0)**	**0.0**	**2,252.3**	**350.0**	**145.0**	**252.3**
% of Program Enhancements		**0%**	**82%**	**13%**	**5%**	
Tech. Adj. DNR Funding Change				150.0		150.0
Tech. Adj. ETS Chargeback		4.0				4.0
FY08 Increment	**(2,495.0)**	**1,094.0**	**6,032.9**	**4,719.2**	**687.5**	**10,038.6**
Net Increment over FY07	2,000.0	725.1	4,420.3	2,592.1	301.1	10,038.6
FY08 Operating Budget Distribution	**2,000.0**	**23,912.9**	**105,777.1**	**136,291.7**	**24,588.9**	**292,570.6**
% Chg FY07 to FY08		3.1%	4.4%	1.9%	1.2%	3.6%
FY08 Anticipated Utility Increase	*2,640.0*					*2,640.0*
*FY08 Operating Budget with one-time utility***	*4,640.0*	*23,912.9*	*105,777.1*	*136,291.7*	*24,588.9*	*295,210.6*

*Distributions will be made in November after MAU performance assessments

**FY08 budget legislation includes a provision for two one-time funding distributions in August and December if average oil prices remain above projections. Funding is expected to be $2.6 million and would provide utility funding at the FY07 level without an increment for FY08 increased costs. The potential $2.6 million funding is included in the FY08 Board of Regents' authorized amount.

University of Alaska
Revenue Sources FY06-FY08

	Budgeted Values					Actual Values				
	FY07 Auth	FY08 Request	FY08 Revised Request	FY08 Authorized	% Change	FY06 Actuals	FY07 Actuals (est)	% Change	FY08 Actuals (est)	% Change
State Appropriations										
General Fund	274,671.9	343,844.0	302,193.6	284,458.2		242,388.1	274,671.9		284,458.2	
General Fund Match	4,777.3	4,777.3	4,777.3	4,777.3		2,777.3	4,777.3		4,777.3	
Workforce Development	2,882.0	3,134.3	3,134.3	3,134.3		200.8	200.8		200.8	
Mental Health Trust	200.8	200.8	200.8	200.8		2,822.6	2,882.0		3,134.3	
State Appropriations Subtotal	**282,532.0**	**351,956.4**	**310,306.0**	**292,570.6**	**3.6%**	**248,188.8**	**282,532.0**	**13.8%**	**292,570.6**	**3.6%**
*One-Time Utility Distribution **	*2,640.0*			*2,640.0*		*2,355.6*	*2,640.0*		*2,640.0*	
State Approp Total (w/ one-time utility dist.)	*285,172.0*			*295,210.6*	*3.5%*	*250,544.4*	*285,172.0*		*295,210.6*	*3.5%*
Receipt Authority										
Interest Income	5,600.0	6,053.1	6,053.1	6,960.0	24.3%	5,291.2	9,896.1	87.0%	6,960.0	-29.7%
Auxiliary Receipts	43,746.7	46,226.1	46,226.1	45,855.1	4.8%	40,120.5	41,183.2	2.6%	42,418.7	3.0%
Student Tuition/Fees(net)	90,516.6	98,382.2	98,382.2	97,002.2	7.2%	78,734.3	85,595.0	8.7%	92,442.6	8.0%
Indirect Cost Recovery	37,183.1	41,311.7	41,311.7	37,286.9	0.3%	31,856.5	31,926.4	0.2%	33,363.1	4.5%
University Receipts	87,896.5	92,824.4	92,824.4	89,117.2	1.4%	51,810.8	57,421.1	10.8%	67,601.8	17.7%
University Receipts Subtotal	**264,942.9**	**284,797.5**	**284,797.5**	**276,221.4**	**4.3%**	**207,813.3**	**226,021.8**	**8.8%**	**242,786.2**	**7.4%**
Federal Receipts	149,524.0	165,049.3	165,049.3	152,660.9	2.1%	119,794.1	123,882.8	3.4%	129,457.5	4.5%
State Inter Agency Receipts	18,800.0	19,644.6	19,644.6	18,650.0	-0.8%	12,069.8	12,051.2	-0.2%	12,412.7	3.0%
MHTAAR	825.0	1,085.0	1,085.0	1,085.0	31.5%	558.0	825.0		1,085.0	
CIP Receipts	4,762.2	4,881.6	4,881.6	4,881.6	2.5%	2,898.4	2,949.6	1.8%	3,038.1	3.0%
UA Intra Agency Receipts	52,721.0	52,721.0	52,721.0	52,721.0	0.0%	42,889.6	42,343.0	-1.3%	42,343.0	0.0%
Receipt Authority Subtotal	**491,575.1**	**528,179.0**	**528,179.0**	**506,219.9**	**3.0%**	**386,023.2**	**408,073.4**	**5.7%**	**431,122.5**	**5.6%**
Revenue Total	**774,107.1**	**880,135.4**	**838,485.0**	**798,790.5**	**3.2%**	**634,212.0**	**690,605.4**	**8.9%**	**723,693.1**	**4.8%**
Revenue Total (w/ one-time utility dist.)	*776,747.1*			*801,430.5*	3.2%	*636,567.6*	*693,245.4*		*726,333.1*	*4.8%*

*In FY07, the University of Alaska (UA) received two 1-time utility distributions of $1.3 million each. The FY08 budget legislation includes a provision for two one-time funding distributions in August and December if the average oil prices remain above projections. Funding is expected to be $2.6 million and would provide utility funding at the FY07 level without an increment for FY08 increased costs. The potential $2.6 million funding is included in the FY08 Board of Regents' authorized amount.

FY08 Operating Budget Program Funding Summary
(Page 12 provides additional detail for programs receiving funding)

Funded Through FY08 GF Reallocation

Preparing Alaskans for Jobs

- Nursing Core Expansion at Anchorage Campus (split funding with Initiative Pool Funds)
- Allied Health Programs delivered Statewide at Anchorage Campus
- Master's of Public Health at Anchorage Campus (partial funding)
- Bachelor of Science in Engineering Enrollment Growth at Anchorage Campus
- Construction Technology at Juneau Campus
- Mining Training and Computer and Electronics Faculty at Kenai Peninsula College
- Systemwide Integrated Geography Program (UAGP) at Fairbanks Campus
- Expand General Education Offerings at Anchorage and Kenai Peninsula College (partial funding)
- Educational Leadership at Juneau Campus

Temporary Funding through Workforce Development Funds (WFD)

Preparing Alaskans for Jobs

- Dental Program at Tanana Valley Campus
- UAA/UAS 1+3 Program in Engineering
- Construction Management 2+2 degree program at Anchorage Campus
- Computer Network Technology at Anchorage Campus
- Career Services Center at Mat-Su College

Temporary Funding through Initiative Pool Funds

Preparing Alaskans for Jobs

- Nursing Core Expansion at Anchorage Campus (split funding with FY08 GF Reallocation)
- WWAMI program expansion at Anchorage Campus

Continue on Existing Funding Source

Preparing Alaskans for Jobs

- Undergraduate Fisheries Program Expansion (with matching private funds)
- Small Business Excellence Award and Business Faculty Support at Anchorage Campus
- Marketing, Community Outreach and Surveys Systemwide

Funding not received in FY08, review program priority in the FY09 request

Preparing Alaskans for Jobs

- *Community Health Aide Program Instruction at College of Rural Alaska*
- *Bridge Programs for Students in High Demand Job Areas at Anchorage Campus*
- *High Demand Program Delivery via Distance Education Systemwide*
- *Expand Eagle River and Military Offering at Anchorage Campus*
- *AK Native Programs Faculty at Fairbanks Campus*

University Research Investment (Phase 2 of 5)

- *Biomedical & Health Research*
- *Engineering, Transportation and Energy*
- *Climate Impact on Alaska's Natural Resources*

Accountability

- *Student Success and College Readiness*
- *Academic and Program Support*

FY08 Operating Budget Program Distribution Detail
(Corresponds to pages 55 to 61 in the FY08 Redbook)

Priority Program Enhancement and Growth
Preparing Alaskans for Jobs Category

Health

- Dental Program at Tanana Valley Campus
  (GF: $233.1, NGF: $50.0, Total: $283.1)
  Funding Source: Temporary Funding through WFD Funds

  This funding will establish a degree program at Tanana Valley Campus to meet the long-standing need for Dental Hygienists in Fairbanks and throughout the Interior. Funding will support one full-time faculty position in Dental Hygiene, 3 to 5 adjunct instructors to assist in teaching the curriculum, administrative support, materials and supplies for teaching, development and maintenance of an outpatient clinic, and costs of external accreditation. The program will be housed in the newly remodeled dental instruction clinic on the fourth floor of the TVC building.

  UAA's program is at capacity and is unable to meet the needs of Interior dentists. While this would be an independent program, TVC anticipates working closely with both UAA and with the Allied Health outreach programs at the College of Rural and Community Development.

- Nursing Core Expansion at Anchorage Campus
  (GF: $750.0, NGF: $150.0, Total: $900.0)
  Funding Source: $600.0 funded through FY08 GF Reallocation and $150.0 Temporary Funding through Initiative Pool Funds

  This funding will provide the ability to hire senior critical care and pediatrics faculty for the core nursing program and the Psychiatric Nurse Practitioner faculty necessary to offer the Psych-Mental Health Nurse Practitioner master's program. Funding will also provide support for the on-line Registered Nurse-Bachelor of Science completion track which began fall 2006. The UAA School of Nursing (SON) has successfully doubled the number of graduates and now produces over 200 graduates a year through 12 different locations around the state. The expansion and core operation is funded largely on industry contributions and temporary grants. In addition to the faculty listed above, this funding provides stable core funding for the school to continue operating at its current level. Grants and industry contributions remain an integral part of operating funds and will support students and provide for meeting short term nursing program delivery at additional locations such as Valdez, a proposed next site.

- WWAMI program expansion at Anchorage Campus
  *(GF: $180.0, NGF: $150.0, Total: $330.0)
  Funding Source: Temporary Funding through Initiative Pool Funds

  WWAMI (Washington, Wyoming, Alaska, Montana, Idaho medical school program) is the primary medical school option for Alaskans. This funding represents the University of Alaska costs to double the number of students accepted into the WWAMI program from 10 to 20 per year. A deficit exists in the number of physicians currently available in the State. This deficit is projected to reach 880 by 2025. Increasing medical school seats is a major recommendation of the Physician Supply Task Force as one solution to help increase the number of practicing doctors in Alaska. Specifically, these funds support two new faculty positions and related support costs associated with the expansion.

  Students complete their first year of medical school at UAA, then complete the remaining 3 years through the University of Washington (UW) (some of this training can occur in Alaska). Alaska, through an agreement between Alaska Commission on Postsecondary Education (ACPE) and UW, pays for a portion of the medical school costs for the remaining three years. In addition to this funding, capital start-up cost for UA and increases for UW are required to meet this need. Included on page 90 is a summary of the full costs and benefits of the WWAMI expansion plan.
  *****Published Redbook amount of GF $280.0, NGF $50.0 was in error. The accurate GF and NGF amounts are reflected above.

- Allied Health Programs delivered Statewide at Anchorage Campus
  (GF: $400.0, NGF: $100.0, Total: $500.0)
  Funding Source: Full-funding through FY08 GF Reallocation

  This request will provide base funding for three full-time and three half-time faculty positions that deliver all the distance courses/programs for the Allied Health programs. Two years ago, following health care industry requests, the Allied Health Sciences division of the Community and Technical College launched a mission to provide distance delivery of four allied health programs to meet needs in rural Alaska. The four programs include Dental Assisting, Medical Laboratory Technology, Pharmacy Technology and Radiologic Technology. These programs were started on short term funding. Enrollment, graduation and employment through these program offerings are exceptional.

- Master's of Public Health at Anchorage Campus
  (GF: $250.0, NGF: $50.0, Total: $300.0)
  Funding Source: Partial-Funding ($150.0) through FY08 GF Reallocation, $100.0 Delay Funding

  This requests funds two additional faculty positions and support for the Master's of Public Health (MPH) program. This funding expands the faculty size to meet national standards and requirements of accreditation including appropriate student

ratios and stabilization of program funding. Enrollment has gone from 20 students in Fall 2003 to a preliminary enrollment of 48 students in Fall 2006.

- Behavioral Health Initiative Partnership
  Funding Source: Continue Partnership

  The University of Alaska continues to work with the Alaska Mental Health Trust Authority and the State of Alaska to expand behavioral health instruction and improve recruitment and retention of workers in the field.

Engineering and Construction Management

- Bachelor of Science in Engineering Enrollment Growth at Anchorage Campus
  (GF: $200.0, NGF: $50.0, Total: $250.0)
  Funding Source: Full-Funding through FY08 GF Reallocation

  The new Bachelor of Science in Engineering program is succeeding with enrollment growth surpassing expectations. Compared to the start of the program expansion (fall 2004), there are an additional 100 students enrolled in engineering degree programs at UAA this fall, a 40 percent increase. This rapid progress necessitates additional faculty be hired to offer the necessary course sections. Funds are requested for two additional full-time faculty positions to satisfy this growing demand.

- UAA/UAS 1+3 Program in Engineering
  (GF: $100.0, NGF: $20.0, Total: $120.0)
  Funding Source: Temporary funding through WFD Funds

  Currently under development is a "1+3" program between UAA and UAS that would allow students in Juneau to complete their first year of an engineering program at UAS and then transfer to UAA or UAF. The requested funding would provide UAS with one engineering faculty position and create an opportunity for collaboration on some of the many projects that originate in Juneau where the Alaska Department of Transportation has Alaska's largest engineering staff. Further, the Alaska Board of Registration for Architects, Engineers and Land Surveyors (AELS) appears to be moving closer to setting continuing education requirements for all its AELS licensees, which will create a large market demand for CEUs utilizing the distance education capacity of UAS.

- Construction Technology at Juneau Campus
  (GF: $75.0, NGF: $30.0, Total: $105.0)
  Funding Source: Full-Funding through FY08 GF Reallocation

  Consistent with the UAS strategic plan and in support of the Kensington Mine's need for skilled construction workers, the UAS Juneau campus "Technology Education Center" requests funding for a faculty position to ensure adequate

faculty resources to provide the necessary training to support the mine's construction phase. As the construction phase at Kensington is completed, program emphasis will focus on additional construction projects in Southeast Alaska. The anticipated sources of new revenue are tuition, fees, and industry donations or grants. To date, Kensington Mine's construction and mining training support has been funded through UA work force development funds.

- Construction Management 2+2 degree program at Anchorage Campus
  (GF: $115.0, NGF: $30.0, Total: $145.0)
  Funding Source: Temporary Funding through WFD Funds

  The proposed Bachelor of Science in Construction Management is designed to produce graduates who will be ready for employment by construction contractors, government agencies, industry consultants, and project owners. Construction managers plan, direct and are responsible for managerial oversight of construction projects, including the coordination of human, material, and financial resources. Currently, students must leave Alaska to acquire a bachelor's degree in construction management. While initial funding came from industry partners, this request will complete a request for continuation funding and will support one additional faculty position, an administrative assistant and fund adjunct labor pool needs to meet expected demand for the program. This request augments the FY07 funding allocated for the two-year associate degree in construction management.

- Mining Training and Computer and Electronics Faculty at Kenai Peninsula College
  (GF: $290.0, NGF: $50.0, Total: $ 340.0)
  Funding Source: Full-Funding through FY08 GF Reallocation

  This request augments FY07 funding allocations for the MAPTS program and provides for an additional computer and electronics faculty position. The Computer Information Science faculty position is core to the Computer Electronics AAS degree program and supports technical electives and core support courses for the Industrial Process Instrumentation and Process Technology AAS programs, both critical programs for Alaskan oil and gas industries.

  There are several new mining operations developing throughout the state. Responsive, timely, coordinated training opportunities are required for preparing the workforce. The MAPTS program has a proven track record of meeting workforce needs. This funding replaces short-term workforce development funds that currently enable the MAPTS program to meet the mining training needs statewide.

Additional High Demand Programs

- Systemwide Integrated Geography Program (UAGP) at Fairbanks Campus
  (GF: $350.0, NGF: $150.0, Total: $500.0)
  Funding Source: Full-Funding through FY08 GF Reallocation

  Geography, a high demand academic program, provides the integration of geographic knowledge of the polar north with the biological and physical sciences in a geospatial context. The enhancement of geographic knowledge in the United States is a critical national need. Funding for UAGP will enable UAF and UA to contribute to this national need as leaders in geography education and research and will link International Polar Year activities to legacy academic programs, thus contributing to the future of basic and applied research, education and outreach applicable throughout the circumpolar north and providing the background necessary to prepare UAF and UA graduates for legacy jobs.

  Funding of this request will support program leadership and two faculty positions. Curriculum and course development are ongoing and after receipt of funding will expand. The faculty will be able to immediately enter established research programs through collaborative partnerships with Geographic Information Network of Alaska, Geophysical Institute, and the greater faculty within the School of Natural Resources and Agricultural Sciences.

- Computer Network Technology at Anchorage Campus
  (GF: $120.0, NGF: $20.0, Total: $140.0)
  Funding Source: Temporary Funding through WFD Funds

  This request is for one Computer Network Technology (CNT) faculty position and adjuncts to meet high student demand for Cisco networking classes and to begin offering wireless technology and Microsoft certificate training, both rated as high priorities during the Community and Technical College's career cluster planning process.

Meeting Student Demand, Strengthening Existing Programs

- Expand General Education Offerings at Anchorage and Kenai Peninsula College
  (GF: $680.0, NGF: $400.0, Total: $1,080.0)
  Funding Source: Full-Funding through FY08 GF Reallocation for Kenai Peninsula College ($80.0) Partial-Funding ($280.0) for Anchorage Campus through FY08 GF Reallocation, $320.0 Delay Funding

  Funding is requested for 12 additional UAA faculty positions to support the general education requirements of the entire MAU as well as supporting the high demand degree programs of Nursing, Engineering, and Allied Health. The majority of faculty will be hired in the UAA College of Arts and Science.

- Educational Leadership at Juneau Campus
  (GF: $70.0, NGF: $40.0, Total: $110.0)
  Funding Source: Full-Funding through FY08 GF Reallocation

  UAS' strategic plan recognizes that managing K-12 systems requires strong leadership, and is dedicated to providing future leaders with educational opportunities through endorsement programs and professional development programs. Principals and superintendents must understand the importance and necessity of standards, outcomes assessment, and community involvement. Until the retirement of UAS' key Education Leadership faculty, UAS offered the Education Leadership endorsement in cooperation with UAA while UAF offered its own. However, UAF is no longer offering this endorsement and UAS wishes to provide access to a professional education leadership endorsement for these principals throughout the state with a mix of technology assisted and on-site summer classes.

- Career Services Center at Mat-Su College
  (GF: $90.0, NGF: $0.0 Total: $90.0)
  Funding Source: Temporary Funding through WFD Funds

  This request funds staff for a Career Service Center at Mat-Su College to provide career-planning activities for over 300 students per semester and provide additional community-wide recruitment as specified in the Mat-Su College Enrollment Management Plan. Additional impacts of this position are expected to include increasing student enrollment, improving retention, increasing internship placements, and increasing the number and placement of graduates in high demand programs.

FY08 Proposed Operating Budget Distribution Plan by Campus/MAU

Total University of Alaska	FY07 Operating Budget Base-Revised			FY08 Base Reallocations*			FY08 Adjusted Base Increment Distribution			FY08 Priority Program Funding and Miscellaneous Adjustments			FY08 Proposed Total Increment		
	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds
Systemwide Components Summary															
Reductions & Additions	0.0	7,686.8	7,686.8	2,000.0		2,000.0									
Total SW BRA	0.0	7,686.8	7,686.8	2,000.0	0.0	2,000.0	0.0	0.0	0.0	0.0	0.0	0.0	2,000.0	0.0	2,000.0
Statewide Programs & Services															
Statewide Services	14,113.9	29,330.1	43,444.0	-368.9		-368.9	280.2	408.8	689.0	0.0	200.0	200.0			
Statewide Networks	9,073.9	9,156.3	18,230.2				809.8	928.6	1,738.4	4.0	0.0	4.0			
Total SPS	23,187.8	38,486.4	61,674.2	-368.9	0.0	-368.9	1,090.0	1,337.4	2,427.4	4.0	200.0	204.0	725.1	1,537.4	2,262.5
University of Alaska Anchorage															
Anchorage Campus	86,137.4	133,057.7	219,195.1	-1,612.6		-1,612.6	2,978.8	3,671.2	6,650.0	1,792.3	445.8	2,238.1			
Kenai Pen. Col.	6,193.2	5,226.5	11,419.7				482.9	211.0	693.9	370.0	0.0	370.0			
Kodiak College	2,489.1	1,574.7	4,063.8				54.5	42.6	97.1	0.0	0.0	0.0			
Mat-Su College	3,847.5	4,718.8	8,566.3				86.8	114.9	201.7	90.0	0.0	90.0			
Prince Wm Snd CC	2,689.6	3,872.9	6,562.5				177.6	82.5	260.1	0.0	0.0	0.0			
Total UAA	101,356.8	148,450.6	249,807.4	-1,612.6	0.0	-1,612.6	3,780.6	4,122.2	7,902.8	2,252.3	445.8	2,698.1	4,420.3	4,568.0	8,988.3
University of Alaska Fairbanks															
Bristol Bay Campus	1,010.5	2,168.2	3,178.7				36.7	28.2	64.9	0.0	0.0	0.0			
Chukchi Campus	731.3	1,043.0	1,774.3				19.2	16.8	36.0	0.0	0.0	0.0			
Ak. Cooperative Ext.	3,585.3	4,642.9	8,228.2				112.2	171.0	283.2	0.0	0.0	0.0			
Fairbanks Campus	94,489.7	117,095.3	211,585.0	-2,127.1		-2,127.1	2,947.0	4,260.0	7,207.0	350.0	-279.6	70.4			
Fairbanks Org. Res.	19,381.7	125,472.1	144,853.8				684.9	3,445.3	4,130.2	150.0	-150.0	0.0			
Interior-Aleut. Campus	1,348.1	2,570.6	3,918.7				49.4	39.8	89.2	0.0	0.0	0.0			
Kuskokwim Campus	2,601.7	3,177.9	5,779.6				85.0	64.8	149.8	0.0	0.0	0.0			
Northwest Campus	1,491.6	1,019.5	2,511.1				29.5	20.4	49.9	0.0	0.0	0.0			
Col. of Rural and Com. Dev.	4,452.7	7,663.4	12,116.1				115.4	234.2	349.6	0.0	-106.2	-106.2			
Tanana Valley Campus	4,607.0	5,726.1	10,333.1				139.9	177.7	317.6	0.0	0.0	0.0			
Total	133,699.6	270,579.0	404,278.6	-2,127.1	0.0	-2,127.1	4,219.2	8,458.2	12,677.4	500.0	-535.8	-35.8	2,592.1	7,922.4	10,514.5
University of Alaska Southeast															
Juneau Campus	19,274.4	19,246.0	38,520.4	-386.4		-386.4	457.4	511.7	969.1	145.0	0.0	145.0			
Ketchikan Campus	2,387.2	2,226.2	4,613.4				44.8	45.3	90.1	0.0	0.0	0.0			
Sitka Campus	2,626.2	4,900.1	7,526.3				40.3	60.0	100.3	0.0	0.0	0.0			
Total UAS	24,287.8	26,372.3	50,660.1	-386.4	0.0	-386.4	542.5	617.0	1,159.5	145.0	0.0	145.0	301.1	617.0	918.1
Total University	282,532.0	491,575.1	774,107.1	-2,495.0	0.0	-2,495.0	9,632.3	14,534.8	24,167.1	2,901.3	110.0	3,011.3	10,038.6	14,644.8	24,683.4
Other Appropriations	2,642.0		2,642.0										2,641.0		2,641.0

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

Other Appropriations include: FY07 $2.0 in License Plate Revenue and $2,640.0 Supplemental Utility; FY08 $2,640 Anticipated utility supplemental and $1.0 License Plate Revenue

The FY07 Operating Budget Base-Revised amounts include the adjustments made for the FY07 performance-based budgeting distribution

*Base reallocation totals for MAU's are shown at main campus and may be distributed. After the Chancellors have decided reallocation distributions, campus allocations will be determined. Final FY08 campus distribution information will be available in late August.

FY08 Adjusted Base Increments by Campus/MAU

Total University of Alaska	Salary			Health			Retirement			Fixed Costs			FY08 Adjusted Base Increment Distribution		
	State Approp.*	Receipts Authority	Total Funds	State Approp.*	Receipts Authority	Total Funds	State Approp.*	Receipts Authority	Total Funds	State Approp.*	Receipts Authority	Total Funds	State Approp.*	Receipts Authority	Total Funds
Systemwide Components Summary															
Reductions & Additions				0.0			0.0			0.0	0.0		0.0	0.0	0.0
Total SW BRA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Statewide Programs & Services															
Statewide Services	300.7	128.8	429.5	207.0	88.8	295.8	-269.8	127.2	-142.6	42.3	64.0	106.3	280.2	408.8	689.0
Statewide Networks	132.9	57.0	189.9	91.5	39.2	130.7	-119.2	56.2	-63.0	704.6	776.2	1,480.8	809.8	928.6	1,738.4
Total SPS	433.6	185.8	619.4	298.5	128.0	426.5	-389.0	183.4	-205.6	746.9	840.2	1,587.1	1,090.0	1,337.4	2,427.4
University of Alaska Anchorage															
Anchorage Campus	2,444.9	1,191.0	3,635.9	1,801.2	461.4	2,262.6	-1,982.6	1,284.6	-698.0	715.3	734.2	1,449.5	2,978.8	3,671.2	6,650.0
Kenai Pen. Col.	146.9	58.4	205.3	97.3	35.3	132.6	-101.3	79.2	-22.1	340.0	38.1	378.1	482.9	211.0	693.9
Kodiak College	64.5	9.4	73.9	43.2	5.6	48.8	-53.2	14.5	-38.7	0.0	13.1	13.1	54.5	42.6	97.1
Mat-Su College	95.6	31.3	126.9	64.7	19.2	83.9	-73.5	41.8	-31.7	0.0	22.6	22.6	86.8	114.9	201.7
Prince Wm Snd CC	79.9	20.6	100.5	55.7	12.9	68.6	-68.0	26.7	-41.3	110.0	22.3	132.3	177.6	82.5	260.1
Total UAA	2,831.8	1,310.7	4,142.5	2,062.1	534.4	2,596.5	-2,278.6	1,446.8	-831.8	1,165.3	830.3	1,995.6	3,780.6	4,122.2	7,902.8
University of Alaska Fairbanks															
Bristol Bay Campus	49.3	4.5	53.8	33.0	3.1	36.1	-45.6	8.0	-37.6	0.0	12.6	12.6	36.7	28.2	64.9
Chukchi Campus	24.0	3.1	27.1	15.9	1.8	17.7	-20.7	4.8	-15.9	0.0	7.1	7.1	19.2	16.8	36.0
Ak. Cooperative Ext.	117.4	60.2	177.6	73.5	35.0	108.5	-78.7	56.6	-22.1	0.0	19.2	19.2	112.2	171.0	283.2
Fairbanks Campus	2,196.0	856.7	3,052.7	1,293.2	595.9	1,889.1	-1,413.2	831.0	-582.2	871.0	1,976.4	2,847.4	2,947.0	4,260.0	7,207.0
Fairbanks Org. Res.	1,399.4	1,032.5	2,431.9	471.6	649.4	1,121.0	-1,186.1	1,049.8	-136.3	0.0	713.6	713.6	684.9	3,445.3	4,130.2
Interior-Aleut. Campus	62.6	8.6	71.2	41.6	5.2	46.8	-54.8	14.2	-40.6	0.0	11.8	11.8	49.4	39.8	89.2
Kuskokwim Campus	100.9	14.9	115.8	66.7	8.9	75.6	-82.6	23.0	-59.6	0.0	18.0	18.0	85.0	64.8	149.8
Northwest Campus	38.4	4.1	42.5	25.7	2.6	28.3	-34.6	6.9	-27.7	0.0	6.8	6.8	29.5	20.4	49.9
Col. of Rural and Com. Dev.	146.9	31.3	178.2	98.3	19.4	117.7	-129.8	37.3	-92.5	0.0	146.2	146.2	115.4	234.2	349.6
Tanana Valley Campus	151.0	53.6	204.6	99.5	32.3	131.8	-110.6	71.7	-38.9	0.0	20.1	20.1	139.9	177.7	317.6
Total	4,285.9	2,069.5	6,355.4	2,219.0	1,353.6	3,572.6	-3,156.7	2,103.3	-1,053.4	871.0	2,931.8	3,802.8	4,219.2	8,458.2	12,677.4
University of Alaska Southeast															
Juneau Campus	406.1	107.7	513.8	273.5	64.5	338.0	-339.0	106.3	-232.7	116.8	233.2	350.0	457.4	511.7	969.1
Ketchikan Campus	55.8	6.6	62.4	38.0	4.1	42.1	-49.0	10.6	-38.4	0.0	24.0	24.0	44.8	45.3	90.1
Sitka Campus	50.1	11.1	61.2	34.4	7.1	41.5	-44.2	14.3	-29.9	0.0	27.5	27.5	40.3	60.0	100.3
Total UAS	512.0	125.4	637.4	345.9	75.7	421.6	-432.2	131.2	-301.0	116.8	284.7	401.5	542.5	617.0	1,159.5
Total University	8,063.3	3,691.4	11,754.7	4,925.5	2,091.7	7,017.2	-6,256.5	3,864.7	-2,391.8	2,900.0	4,887.0	7,787.0	9,632.3	14,534.8	24,167.1
Other Appropriations															

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

Authorized and Revised Budget FY05-FY07 by Campus/MAU

Total University of Alaska	FY05 BOR Authorized			FY06 BOR Authorized			FY07 BOR Authorized			FY07 Operating Budget Base- Revised		
	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds	State Approp.	Receipt Authority	Total Funds
Systemwide Components Summary												
Reductions & Additions		2,107.9	2,107.9		7,846.8	7,846.8		7,686.8	7,686.8	0.0	7,686.8	7,686.8
Total SW BRA	0.0	2,107.9	2,107.9	0.0	7,846.8	7,846.8	0.0	7,686.8	7,686.8	0.0	7,686.8	7,686.8
Statewide Programs & Services												
Statewide Services	11,341.1	25,560.8	36,901.9	11,849.3	28,386.9	40,236.2	14,232.9	29,211.1	43,444.0	14,113.9	29,330.1	43,444.0
Statewide Networks	7,226.2	7,097.3	14,323.5	7,833.2	8,135.0	15,968.2	9,073.9	9,156.3	18,230.2	9,073.9	9,156.3	18,230.2
Total SPS	18,567.3	32,658.1	51,225.4	19,682.5	36,521.9	56,204.4	23,306.8	38,367.4	61,674.2	23,187.8	38,486.4	61,674.2
University of Alaska Anchorage												
Anchorage Campus	70,794.6	122,040.1	192,834.7	75,509.9	125,700.6	201,210.5	86,052.4	133,142.7	219,195.1	86,137.4	133,057.7	219,195.1
Kenai Pen. Col.	4,661.9	4,221.6	8,883.5	5,226.8	4,400.4	9,627.2	6,154.4	5,265.3	11,419.7	6,193.2	5,226.5	11,419.7
Kodiak College	2,061.6	1,427.5	3,489.1	2,224.2	1,466.3	3,690.5	2,450.3	1,613.5	4,063.8	2,489.1	1,574.7	4,063.8
Mat-Su College	3,276.8	4,618.4	7,895.2	3,498.3	4,709.0	8,207.3	3,808.7	4,757.6	8,566.3	3,847.5	4,718.8	8,566.3
Prince Wm Snd CC	2,084.6	3,485.1	5,569.7	2,255.7	3,558.9	5,814.6	2,650.8	3,911.7	6,562.5	2,689.6	3,872.9	6,562.5
Total UAA	82,879.5	135,792.7	218,672.2	88,714.9	139,835.2	228,550.1	101,116.6	148,690.8	249,807.4	101,356.8	148,450.6	249,807.4
University of Alaska Fairbanks												
Bristol Bay Campus	881.7	1,808.1	2,689.8	937.7	2,072.6	3,010.3	1,016.2	2,162.5	3,178.7	1,010.5	2,168.2	3,178.7
Chukchi Campus	625.7	1,025.9	1,651.6	688.0	1,062.9	1,750.9	735.5	1,038.8	1,774.3	731.3	1,043.0	1,774.3
Ak. Cooperative Ext.	3,123.2	3,589.0	6,712.2	3,337.7	4,079.0	7,416.7	3,605.5	4,622.7	8,228.2	3,585.3	4,642.9	8,228.2
Fairbanks Campus	76,430.5	103,447.5	179,878.0	83,271.1	110,710.6	193,981.7	94,478.3	117,106.7	211,585.0	94,489.7	117,095.3	211,585.0
Fairbanks Org. Res.	16,533.9	115,606.4	132,140.3	16,843.5	120,830.9	137,674.4	19,433.5	125,420.3	144,853.8	19,381.7	125,472.1	144,853.8
Interior-Aleut. Campus	1,197.2	1,919.3	3,116.5	1,315.0	2,338.6	3,653.6	1,356.0	2,562.7	3,918.7	1,348.1	2,570.6	3,918.7
Kuskokwim Campus	2,146.5	2,956.7	5,103.2	2,369.9	3,369.8	5,739.7	2,616.0	3,163.6	5,779.6	2,601.7	3,177.9	5,779.6
Northwest Campus	1,347.1	1,271.6	2,618.7	1,440.4	1,296.5	2,736.9	1,500.3	1,010.8	2,511.1	1,491.6	1,019.5	2,511.1
Col. of Rural and Com. Dev.	3,738.3	4,042.8	7,781.1	4,090.0	6,833.3	10,923.3	4,477.4	7,638.7	12,116.1	4,452.7	7,663.4	12,116.1
Tanana Valley Campus	3,326.2	4,161.9	7,488.1	3,900.1	3,815.3	7,715.4	4,630.6	5,702.5	10,333.1	4,607.0	5,726.1	10,333.1
Total	109,350.3	239,829.2	349,179.5	118,193.4	256,409.5	374,602.9	133,849.3	270,429.3	404,278.6	133,699.6	270,579.0	404,278.6
University of Alaska Southeast												
Juneau Campus	16,196.2	17,037.3	33,233.5	17,269.8	18,534.5	35,804.3	19,219.7	19,300.7	38,520.4	19,274.4	19,246.0	38,520.4
Ketchikan Campus	1,979.1	2,009.6	3,988.7	2,035.6	2,140.9	4,176.5	2,399.5	2,213.9	4,613.4	2,387.2	2,226.2	4,613.4
Sitka Campus	2,162.6	4,653.3	6,815.9	2,292.6	4,747.2	7,039.8	2,640.1	4,886.2	7,526.3	2,626.2	4,900.1	7,526.3
Total UAS	20,337.9	23,700.2	44,038.1	21,598.0	25,422.6	47,020.6	24,259.3	26,400.8	50,660.1	24,287.8	26,372.3	50,660.1
Total University	231,135.0	434,088.1	665,223.1	248,188.8	466,036.0	714,224.8	282,532.0	491,575.1	774,107.1	282,532.0	491,575.1	774,107.1
Other Appropriations	697.3		697.3	2,432.5		2,432.5	2.0		2.0	2,642.0		2,642.0

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

Other Appropriations include:FY05 $1.0 License Plate Revenue, $65.0 re-appropriation to UAA, $631.3 Additional Workforce Development Funds; FY06 $2.5 License Plate Revenue and $75.0 ($70.4 actual expenditure) for FFA State Director, and $2,355.6 Supplemental Utility; FY07 $2.0 in License Plate Revenue and $2,640.0 Supplemental Utility; FY08 $2,640 Anticipated utility supplemental and $1.0 License Plate Revenue

The FY07 Operating Budget Base-Revised amounts include the adjustments made for the FY07 performance-based budgeting distribution

University of Alaska
FY08 Revised BOR Request Adjusted Base Requirements
Compared to Conference Committee

($000's)

	Revised BOR Request			Conference Committee			
	State Approp.	Receipt Authority	Total	State Approp.	Receipt Authority	Total	State Approp. Over/Under Revised BOR
Adjusted Base Requirements							
-Salary and Benefits							
AK. Comm. Colleges' Federation of Teachers (ACCFT)							
Salary Increase (Contract required 2.6% step and 2% grid increases)	431.6	410.8	842.4	431.6	410.8	842.4	-
Health (Contract requirement of $1,047 per employee per mo)	251.7	239.7	491.4	251.7	239.7	491.4	-
AK. Higher Ed. Crafts and Trades Employees (AHECTE)							
Salary Increase (Contract regulated 3% step and 1.6% grid increases)	386.8	46.5	433.3	386.8	46.5	433.3	-
Health (Contract requirement of $1,047 per employee per mo)	375.9	45.1	421.0	375.9	45.1	421.0	-
United Academics Faculty (UNAC)							
Salary Increase (Contract regulated across the board increase of 2.7% and 2% market adjustments)	1,311.3	1,442.3	2,753.6	1,311.3	1,442.3	2,753.6	-
Health (Contract requirement of $1,047 per employee per mo)	702.0	772.2	1,474.2	702.0	772.2	1,474.2	-
UA Staff, Students Employees, and Graduate Assistants							
Salary Increase (BOR policy of 2.6% step and 2% grid increases)	5,933.6	1,791.8	7,725.4	5,933.6	1,791.8	7,725.4	-
Health (BOR policy of $1,047 per employee per month)	3,595.9	1,034.7	4,630.6	3,595.9	1,034.7	4,630.6	-
Total - Salary Increases	8,063.3	3,691.4	11,754.7	8,063.3	3,691.4	11,754.7	0.0
Total - Health Care	4,925.5	2,091.7	7,017.2	4,925.5	2,091.7	7,017.2	0.0
-Additional Non-Discretionary Cost Increases							-
Library/Operating Fixed Costs		4,487.0	4,487.0		4,887.0	4,887.0	-
Utility Increases (FY08 projected)	1,602.7		1,602.7			-	(1,602.7)
Risk Management/Insurance Fees	400.0	400.0	800.0	400.0		400.0	-
Network Bandwidth	751.4	848.6	1,600.0	704.6		704.6	(46.8)
M&R Increment (maintaining 1.5% of building value)	1,126.4	416.6	1,543.0	1,126.4		1,126.4	-
New Facility Op, M&R(ANSEP, WARD, MAPTS, Kachemak Bay, PWSCC Museum, LARS)	669.0	-	669.0	669.0		669.0	-
Total Other Fixed Costs	4,549.5	6,152.2	10,701.7	2,900.0	4,887.0	7,787.0	(46.8)
Subtotal - Adjusted Base Requirements	**17,538.3**	**11,935.3**	**29,473.6**	**15,888.8**	**10,670.1**	**26,558.9**	**(1,649.5)**
FY08 Adjusted Base Requirement	*6.3%*	*2.4%*	*3.8%*	*5.8%*	*2.2%*	*3.4%*	

*FY08 budget legislation includes a provision for two one-time funding distributions in August and December. If the average oil prices remain above projections funding is expected to be $2,640.0. The FY08 distribution would provide funding at the FY07 level without an increment for FY08 increased costs.

Agency Summary - FY 2008 Operating Budget - Conf Comm Structure

Numbers and Language
Fund Groups: General Funds

	07MgtPln	GovAmd+	ConfComm	OpinCap	08 TOT	NewLegis	07MgtPln to ConfComm		07MgtPln to 08 TOT		GovAmd+ to 08 TOT	
Administration	61,291.9	68,386.6	62,804.1	708.2	63,512.3	250.0	1,512.2	2.5 %	2,220.4	3.6 %	-4,874.3	-7.1 %
Commerce, Community & Econ Dev	59,412.4	59,897.9	10,658.1	49,340.0	59,998.1	0.0	-48,754.3	-82.1 %	585.7	1.0 %	100.2	0.2 %
Corrections	185,771.9	214,818.3	198,147.5	362.3	198,509.8	3.0	12,375.6	6.7 %	12,737.9	6.9 %	-16,308.5	-7.6 %
Education & Early Dev	1,023,584.1	990,792.2	986,070.0	34,612.7	1,020,682.7	3.0	-37,514.1	-3.7 %	-2,901.4	-0.3 %	29,890.5	3.0 %
Environmental Conservation	16,445.1	19,855.1	17,755.3	10.2	17,765.5	0.0	1,310.2	8.0 %	1,320.4	8.0 %	-2,089.6	-10.5 %
Fish and Game	39,032.9	52,080.5	39,773.7	10.1	39,783.8	0.0	740.8	1.9 %	750.9	1.9 %	-12,296.7	-23.6 %
Governor	33,359.7	18,839.8	16,945.8	0.0	16,945.8	132.8	-16,413.9	-49.2 %	-16,413.9	-49.2 %	-1,894.0	-10.1 %
Health & Social Services	748,485.6	861,305.5	791,297.5	431.9	791,729.4	863.5	42,811.9	5.7 %	43,243.8	5.8 %	-69,576.1	-8.1 %
Labor & Workforce Dev	19,815.1	28,797.1	22,405.7	38.9	22,444.6	850.0	2,590.6	13.1 %	2,629.5	13.3 %	-6,352.5	-22.1 %
Law	40,378.7	45,484.2	38,828.6	0.0	38,828.6	0.0	-1,550.1	-3.8 %	-1,550.1	-3.8 %	-6,655.6	-14.6 %
Military & Veterans Affairs	13,237.9	13,625.7	11,687.5	144.7	11,832.2	0.0	-1,550.4	-11.7 %	-1,405.7	-10.6 %	-1,793.5	-13.2 %
Natural Resources	69,124.3	70,348.6	63,718.0	103.0	63,821.0	246.2	-5,406.3	-7.8 %	-5,303.3	-7.7 %	-6,527.6	-9.3 %
Public Safety	105,882.2	117,722.4	107,199.4	39.8	107,239.2	865.5	1,317.2	1.2 %	1,357.0	1.3 %	-10,483.2	-8.9 %
Revenue	15,837.1	41,642.9	40,034.5	0.0	40,034.5	124.9	24,197.4	152.8 %	24,197.4	152.8 %	-1,608.4	-3.9 %
Transportation	201,114.5	226,225.2	193,102.9	3,174.5	196,277.4	0.0	-8,011.6	-4.0 %	-4,837.1	-2.4 %	-29,947.8	-13.2 %
University of Alaska	280,976.0	313,563.7	287,437.3	2,000.0	289,437.3	0.0	6,461.3	2.3 %	8,461.3	3.0 %	-24,126.4	-7.7 %
Alaska Court System	74,104.0	84,930.3	77,362.4	0.0	77,362.4	0.0	3,258.4	4.4 %	3,258.4	4.4 %	-7,567.9	-8.9 %
Legislature	54,740.1	59,936.2	53,340.2	0.0	53,340.2	128.5	-1,399.9	-2.6 %	-1,399.9	-2.6 %	-6,596.0	-11.0 %
Debt Service	60,260.7	81,688.4	124,769.1	0.0	124,769.1	0.0	64,508.4	107.0 %	64,508.4	107.0 %	43,080.7	52.7 %
Fund Capitalization	212,972.7	21,319.1	28,438.5	0.0	28,438.5	0.0	-184,534.2	-86.6 %	-184,534.2	-86.6 %	7,119.4	33.4 %
Public Education Fund	-3,352.6	-29,713.0	-29,713.0	0.0	-29,713.0	0.0	-26,360.4	786.3 %	-26,360.4	786.3 %	0.0	
Gov's FY08 Spending Reductions	0.0	-41,804.0	0.0	0.0	0.0	0.0	0.0		0.0		41,804.0	-100.0 %
Direct Approps to Retirement	18,581.9	302,776.3	449,992.3	5,000.0	454,992.3	0.0	431,410.4	>999 %	436,410.4	>999 %	152,216.0	50.3 %
Total - Operating Budget	**3,331,056.2**	**3,622,519.0**	**3,592,055.4**	**95,976.3**	**3,688,031.7**	**3,467.4**	**260,999.2**	**7.8 %**	**356,975.5**	**10.7 %**	**65,512.7**	**1.8 %**

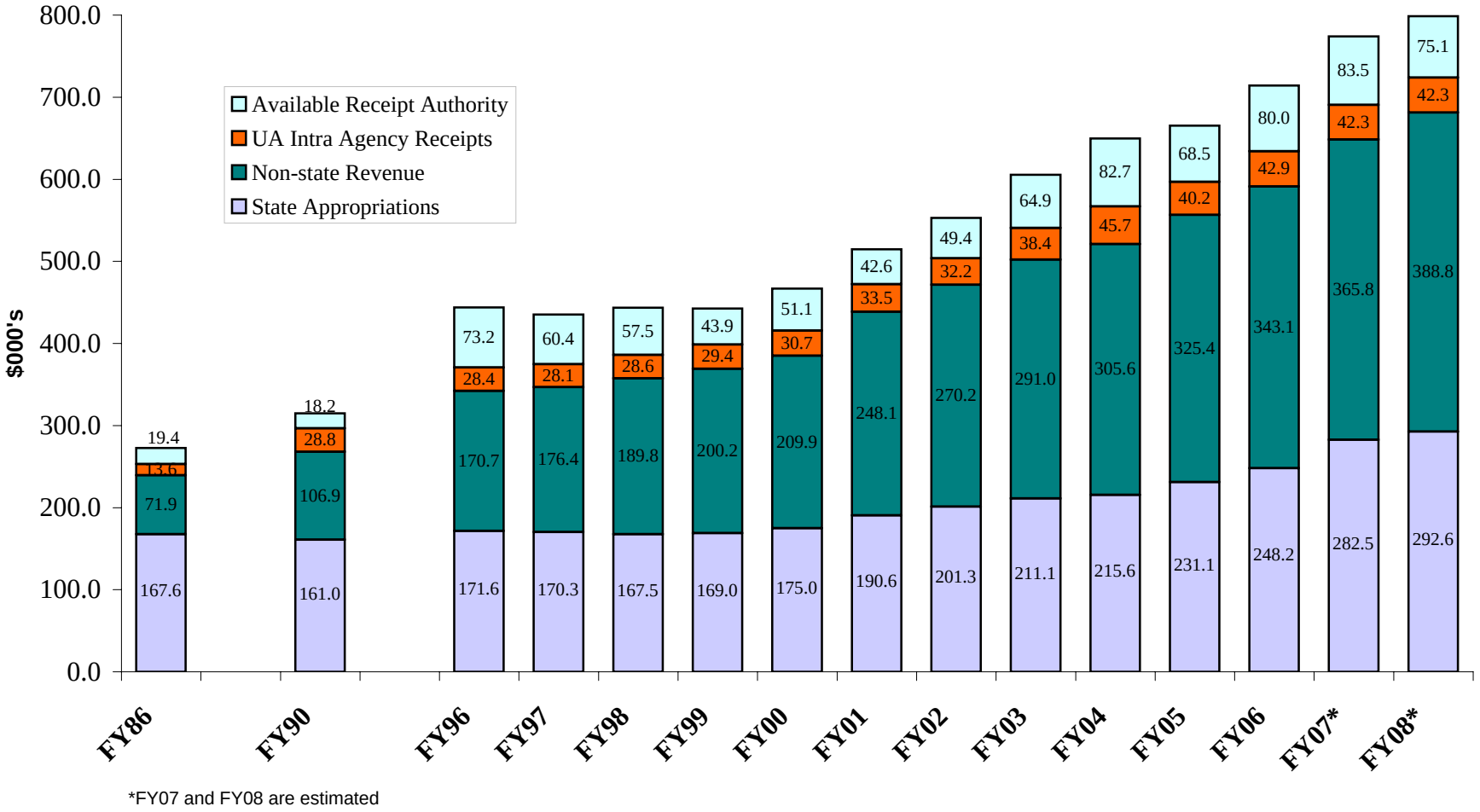
Agency Summary - FY 2008 Operating Budget - Conf Comm Structure

Numbers and Language

	07MgtPln	GovAmd+	ConfComm	OpinCap	08 TOT	NewLegis	07MgtPln to ConfComm		07MgtPln to 08 TOT		GovAmd+ to 08 TOT	
Administration	259,559.3	277,829.8	264,851.0	714.9	265,565.9	358.0	5,291.7	2.0 %	6,006.6	2.3 %	-12,263.9	-4.4 %
Commerce, Community & Econ Dev	200,758.4	209,409.5	155,760.4	49,395.0	205,155.4	309.4	-44,998.0	-22.4 %	4,397.0	2.2 %	-4,254.1	-2.0 %
Corrections	214,449.3	243,348.8	226,653.0	362.3	227,015.3	3.0	12,203.7	5.7 %	12,566.0	5.9 %	-16,333.5	-6.7 %
Education & Early Dev	1,275,200.0	1,241,224.3	1,234,839.2	34,712.1	1,269,551.3	3.0	-40,360.8	-3.2 %	-5,648.7	-0.4 %	28,327.0	2.3 %
Environmental Conservation	61,498.4	75,832.9	67,056.0	26.5	67,082.5	0.0	5,557.6	9.0 %	5,584.1	9.1 %	-8,750.4	-11.5 %
Fish and Game	169,258.1	179,844.6	166,900.5	33.7	166,934.2	0.0	-2,357.6	-1.4 %	-2,323.9	-1.4 %	-12,910.4	-7.2 %
Governor	38,253.8	20,402.3	18,508.3	0.0	18,508.3	132.8	-19,745.5	-51.6 %	-19,745.5	-51.6 %	-1,894.0	-9.3 %
Health & Social Services	1,976,219.0	2,042,186.5	1,968,144.8	508.2	1,968,653.0	2,771.5	-8,074.2	-0.4 %	-7,566.0	-0.4 %	-73,533.5	-3.6 %
Labor & Workforce Dev	170,610.3	167,895.3	159,990.4	182.0	160,172.4	850.0	-10,619.9	-6.2 %	-10,437.9	-6.1 %	-7,722.9	-4.6 %
Law	66,807.0	72,657.9	65,805.3	0.0	65,805.3	0.0	-1,001.7	-1.5 %	-1,001.7	-1.5 %	-6,852.6	-9.4 %
Military & Veterans Affairs	43,512.3	45,595.8	42,283.3	190.8	42,474.1	0.0	-1,229.0	-2.8 %	-1,038.2	-2.4 %	-3,121.7	-6.8 %
Natural Resources	131,309.2	133,684.0	124,811.5	107.5	124,919.0	246.2	-6,497.7	-4.9 %	-6,390.2	-4.9 %	-8,765.0	-6.6 %
Public Safety	139,147.0	151,505.7	141,236.6	43.2	141,279.8	865.5	2,089.6	1.5 %	2,132.8	1.5 %	-10,225.9	-6.7 %
Revenue	218,156.8	266,531.0	261,371.1	0.0	261,371.1	166.5	43,214.3	19.8 %	43,214.3	19.8 %	-5,159.9	-1.9 %
Transportation	489,241.0	537,437.5	483,763.7	5,671.6	489,435.3	0.0	-5,477.3	-1.1 %	194.3		-48,002.2	-8.9 %
University of Alaska	775,433.1	822,917.9	796,791.5	2,000.0	798,791.5	0.0	21,358.4	2.8 %	23,358.4	3.0 %	-24,126.4	-2.9 %
Alaska Court System	76,750.9	87,349.7	79,781.8	0.0	79,781.8	0.0	3,030.9	3.9 %	3,030.9	3.9 %	-7,567.9	-8.7 %
Legislature	55,421.8	60,724.8	54,103.1	0.0	54,103.1	128.5	-1,318.7	-2.4 %	-1,318.7	-2.4 %	-6,621.7	-10.9 %
Debt Service	321,486.5	357,974.7	352,174.7	2,302.0	354,476.7	0.0	30,688.2	9.5 %	32,990.2	10.3 %	-3,498.0	-1.0 %
Fund Capitalization	1,877,503.1	3,274,753.7	1,993,163.5	0.0	1,993,163.5	0.0	115,660.4	6.2 %	115,660.4	6.2 %	-1,281,590.2	-39.1 %
Public Education Fund	-3,352.6	-29,713.0	-29,713.0	0.0	-29,713.0	0.0	-26,360.4	786.3 %	-26,360.4	786.3 %	0.0	
Gov's FY08 Spending Reductions	0.0	-51,199.9	0.0	0.0	0.0	0.0	0.0		0.0		51,199.9	-100.0 %
Direct Approps to Retirement	18,581.9	302,776.3	449,992.3	5,000.0	454,992.3	0.0	431,410.4	>999 %	436,410.4	>999 %	152,216.0	50.3 %
Total - Operating Budget	**8,575,804.6**	**10,490,970.1**	**9,078,269.0**	**101,249.8**	**9,179,518.8**	**5,834.4**	**502,464.4**	**5.9 %**	**603,714.2**	**7.0 %**	**-1,311,451.3**	**-12.5 %**
Funding Summary												
General Funds (GF)	3,331,056.2	3,622,519.0	3,592,055.4	95,976.3	3,688,031.7	3,467.4	260,999.2	7.8 %	356,975.5	10.7 %	65,512.7	1.8 %
Federal Receipts (Fed)	1,795,429.2	1,719,108.8	1,744,314.9	71.9	1,744,386.8	1,907.4	-51,114.3	-2.8 %	-51,042.4	-2.8 %	25,278.0	1.5 %
Other (Oth)	3,449,319.2	5,149,342.3	3,741,898.7	5,201.6	3,747,100.3	459.6	292,579.5	8.5 %	297,781.1	8.6 %	-1,402,242.0	-27.2 %

Section 2

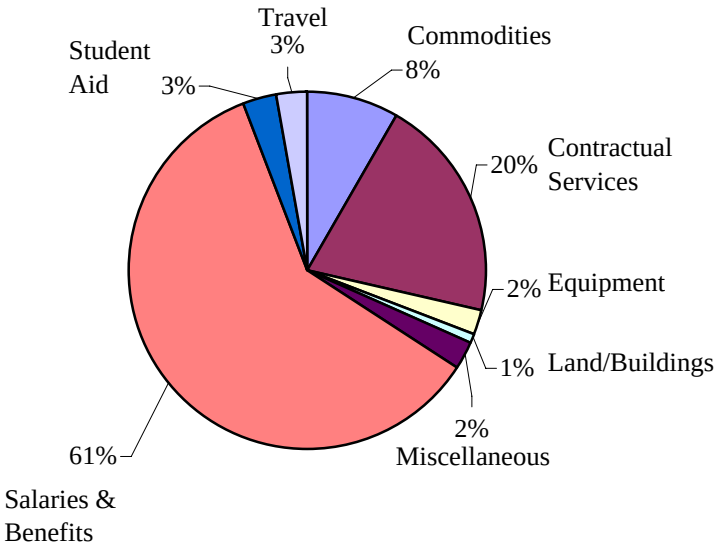
University of Alaska
Authorized Budget vs Actuals



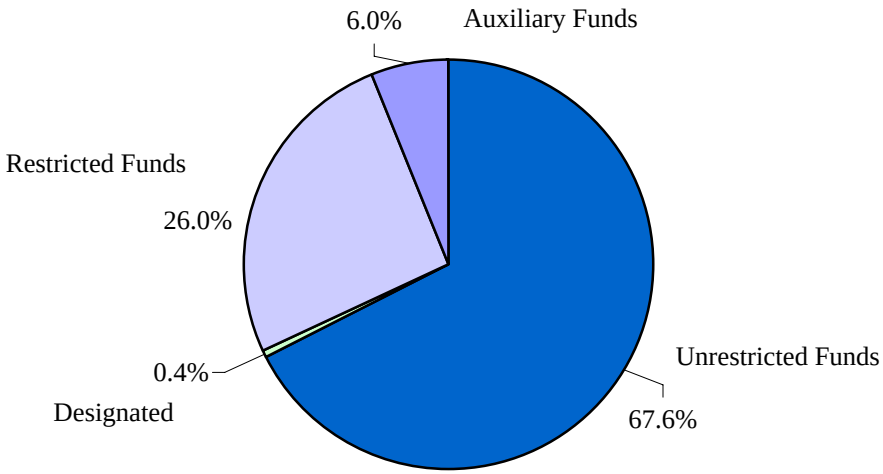
*FY07 and FY08 are estimated

University of Alaska
Expenditure by Category and Revenue by Fund Type
FY07(est.)

Expenditure by Category

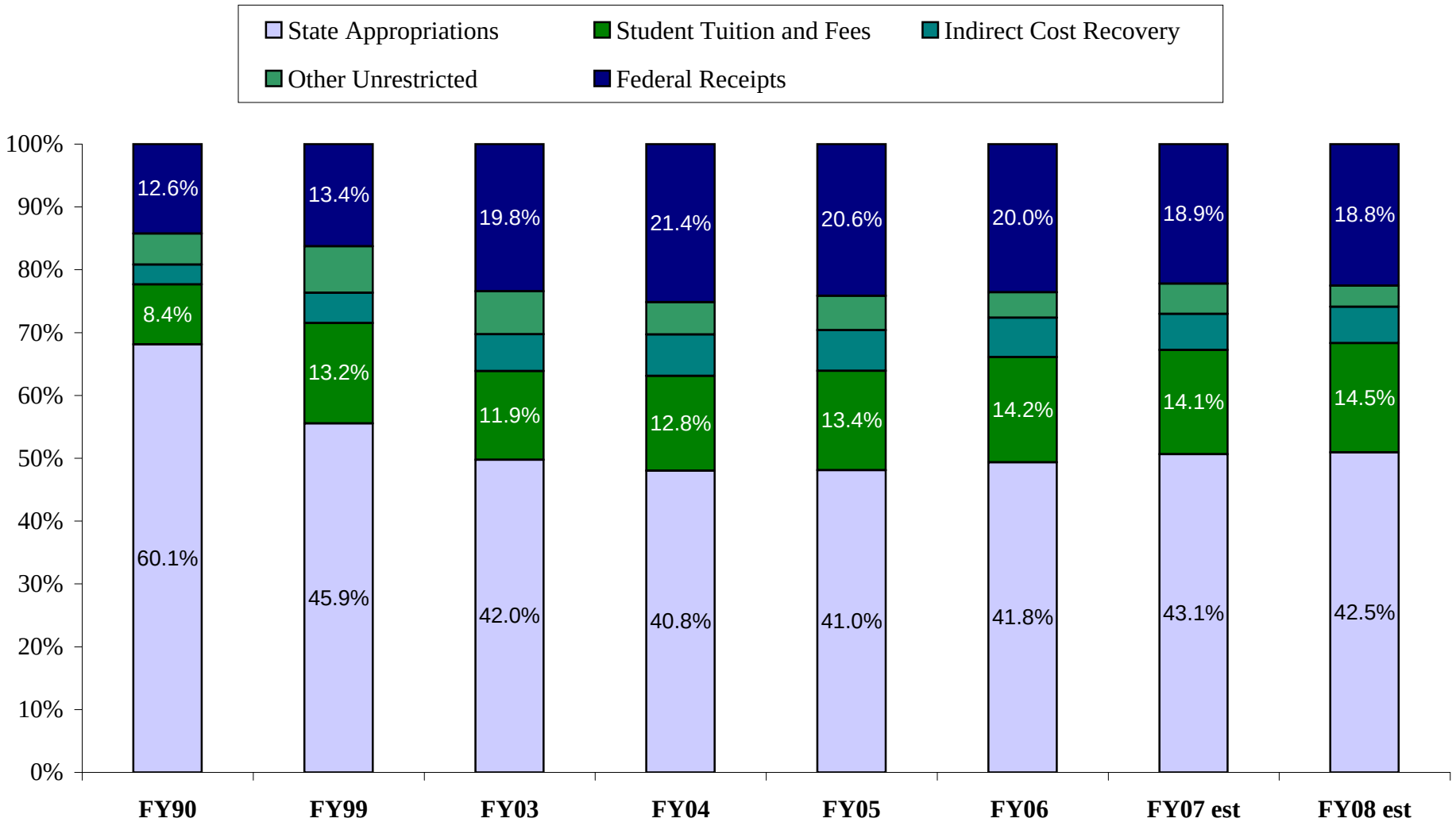


Revenue by Fund Type



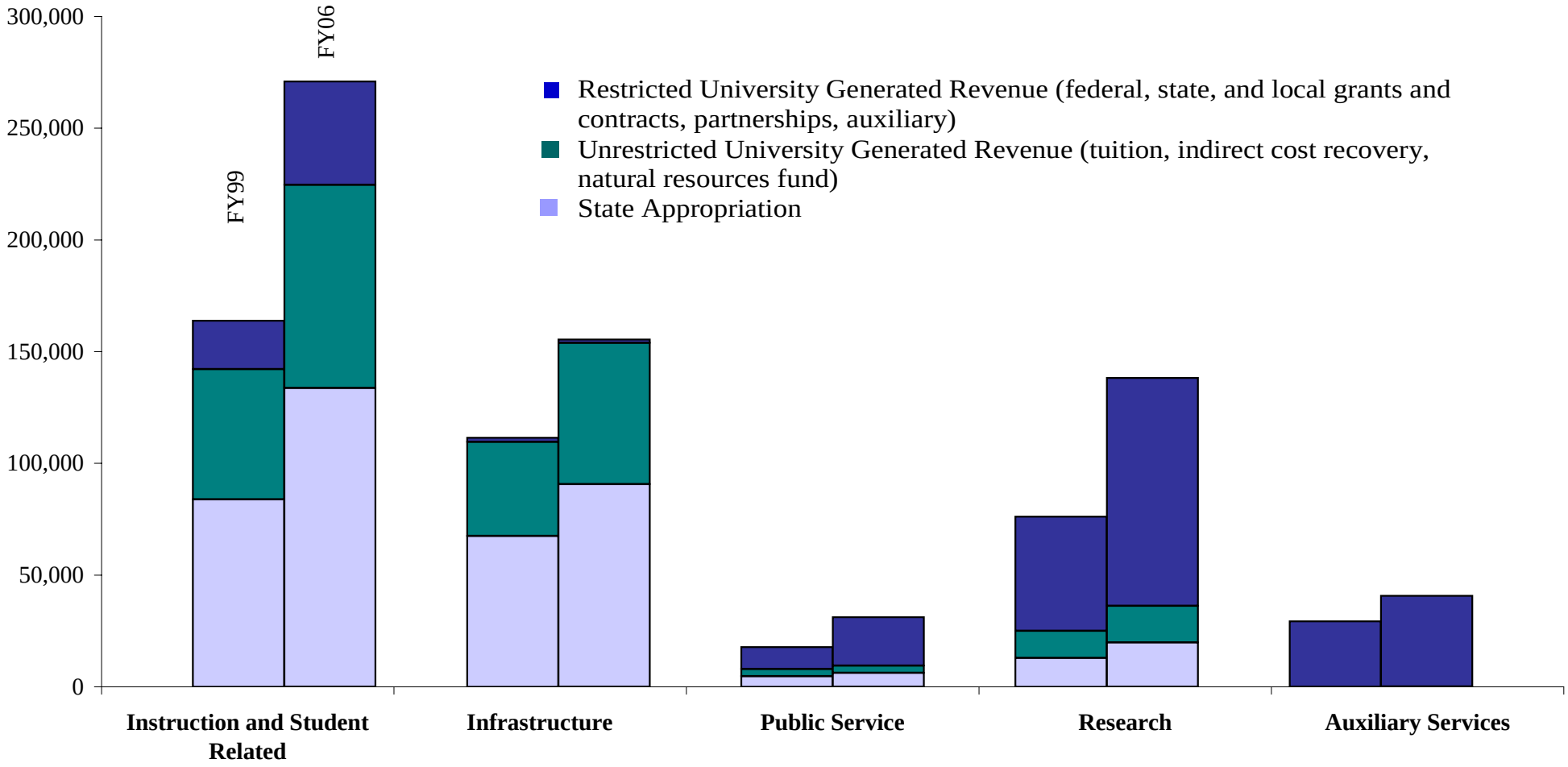
Unrestricted Funds	$424.5
Restricted Funds	$179.7
Designated Funds	$2.5
Auxiliary Funds	$41.6
Sub-Total	$648.3
UA Intra-Agency (UAIAR)	$ 42.3
Total (in Millions)	$690.6

University of Alaska Revenue by Source
FY90, FY99, FY03-FY08est

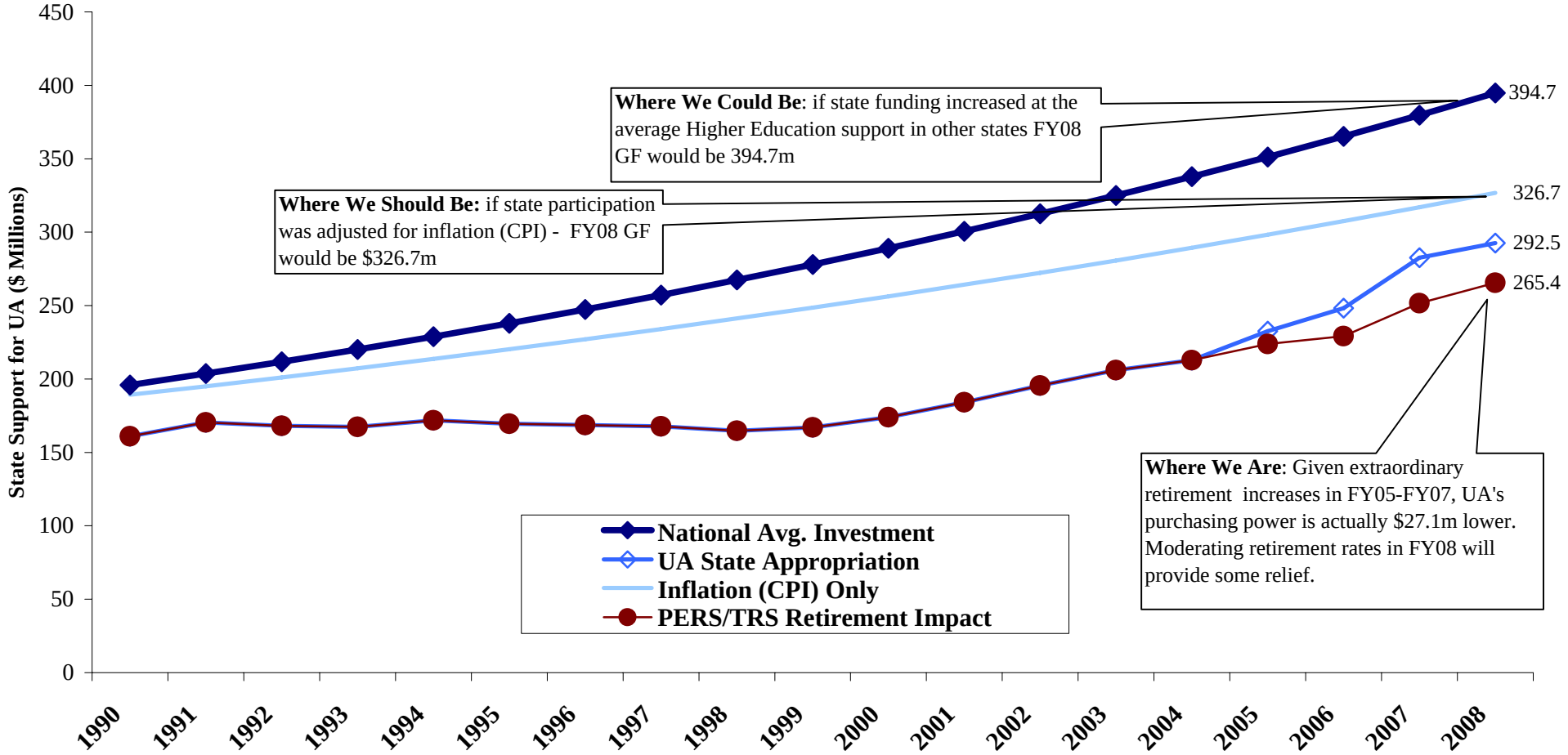


Note: This table provides the gross tuition and fees amount whereas tables in the rest of the publication provide figures in accordance with the accounting rules used, thus gross figures through FY02 and net figures FY03-FY08.

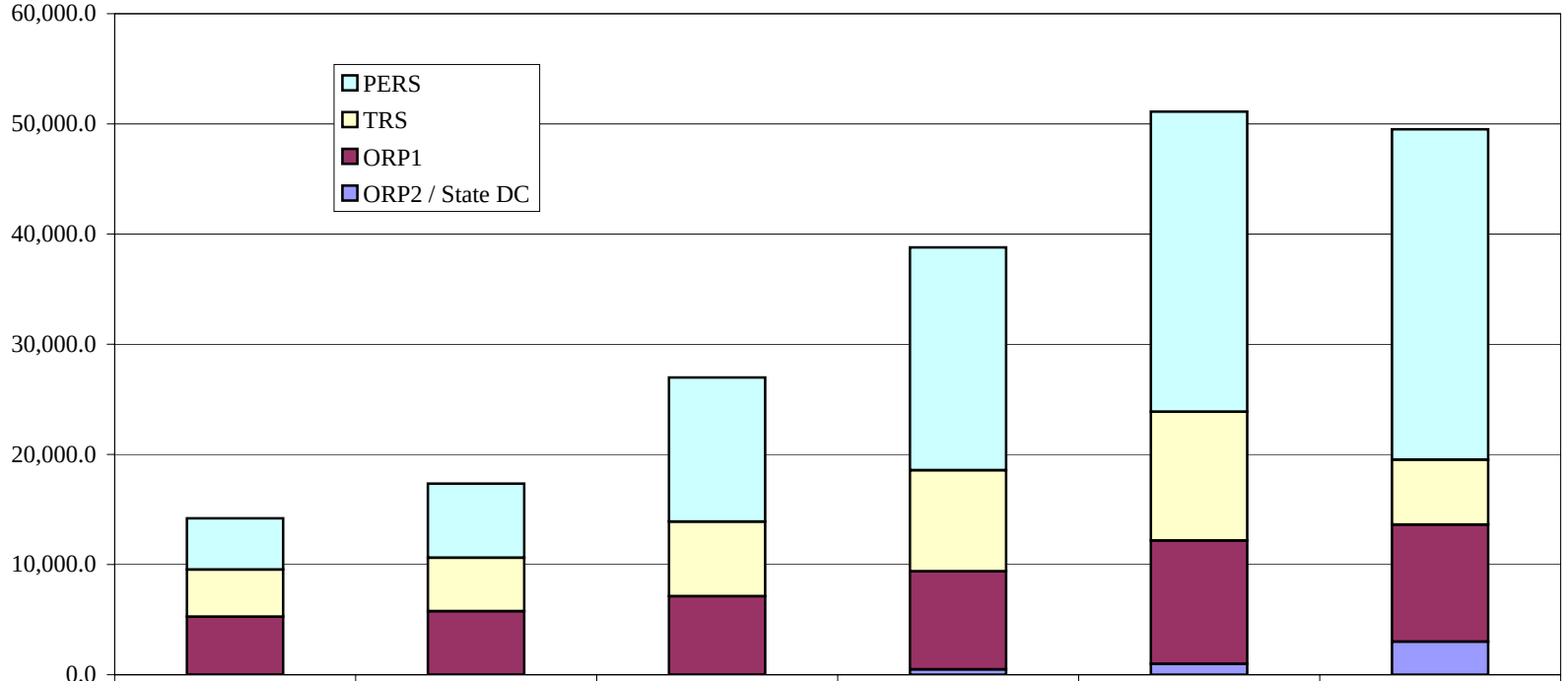
University of Alaska
FY99 & FY06 Expenditures by NCHEMS Category and Fund Type



University of Alaska
State Appropriation Comparison

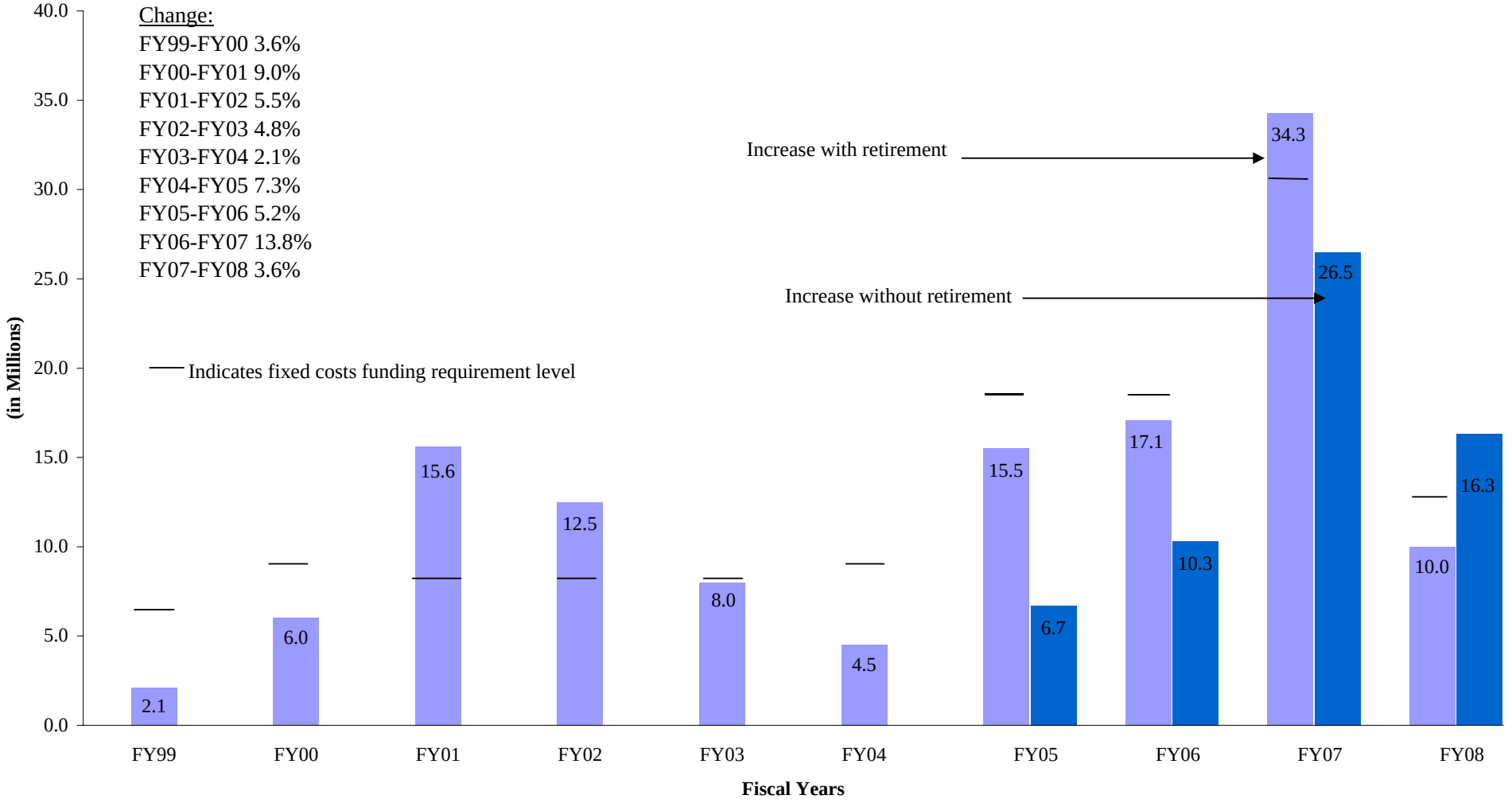


University of Alaska
Retirement Cost Trend by Program
FY03-FY08



	FY03	FY04	FY05	FY06	FY07 est.	FY08 est.
PERS	4,647.1	6,731.8	13,074.8	20,226.2	27,236.3	29,985.2
TRS	4,281.5	4,860.5	6,769.1	9,167.7	11,687.6	5,888.8
ORP1	5,266.3	5,762.0	7,133.4	8,908.2	11,196.4	10,625.5
ORP2 / State DC				484.3	984.3	3,005.7
Total	14,194.9	17,354.3	26,977.3	38,786.4	51,104.6	49,505.2

University of Alaska
Annual Change in State Appropriations
FY99-FY08



Change in State Funding by Source FY00-FY08 (in thousands)

($000's)	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08
General Fund	$169,366.0	$181,158.8	$192,521.9	$202,836.9	$209,736.9	$225,287.9	$242,388.1	$274,671.9	$284,458.2
General Fund Match	2,777.3	2,777.3	2,777.3	2,777.3	2,777.3	2,777.3	2,777.3	4,777.3	4,777.3
Mental Health Trust	200.8	200.8	200.8	200.8	200.8	200.8	200.8	200.8	200.8
ASTF Earnings	2,630.0	2,630.0	2,630.0						
ASTF Endowment				2,315.0					
ACPE Dividend		2,000.0	2,000.0						
VocEd SB289/SB137		1,781.0	2,868.9	2,868.9	2,868.9	2,868.9	2,822.6	2,882.0	3,134.3
Total*	**$174,974.1**	**$190,547.9**	**$202,998.9**	**$210,998.9**	**$215,583.9**	**$231,134.9**	**$248,188.8**	**$282,532.0**	**$292,570.6**
Annual % Change	3.6%	8.9%	6.5%	3.9%	2.2%	7.2%	7.4%	13.8%	3.6%
Annual Change	6,011.2	15,573.8	12,451.0	8,000.0	4,585.0	15,551.0	17,053.9	34,343.2	10,038.6
General Fund for Retirement Increases						8,800.0	15,688.2	23,570.2	18,943.1
Total w/out Extraordinary retirement increases	$174,974.1	$190,547.9	$202,998.9	$210,998.9	$215,583.9	$222,334.9	$232,500.6	$258,961.8	$273,627.5
Annual % Change	3.6%	8.9%	6.5%	3.9%	2.2%	3.1%	4.6%	11.4%	5.7%

*Does not include one-time items

Section 3

University of Alaska
Performance-Based Budgeting
Five Year Outlook, June 2007

This document provides a five-year overview of UA's expectations for performance-based budgeting (PBB), along with corresponding five-year revenue and expenditure projections.

PBB is a mechanism to recognize resource alignment with key strategic goals and is a major influence in the budget process. This system has been incrementally integrated into UA's budget process since inception in FY04 and is a driving factor in the operating and capital requests.

Seven performance measures are currently tied to performance funding at the system level, including: graduates of high demand degree programs, student retention, student credit hour enrollment, grant-funded research expenditures, university generated revenue, strategic enrollment management planning and academic program outcomes assessment. Additional key performance measures are being considered, including a faculty partnership and outreach performance measure and community campus measures, such as non-credit instructional activity.

As part of the annual budget request cycle, each MAU submits an in-depth assessment of recent performance accounting for expectations, strategies and mission. In addition, each MAU proposes and/or updates targets and goals for the upcoming five year period. The president and each chancellor agree on award distributions and appropriate targets and goals for each MAU. Throughout the year MAUs monitor the impact of implemented strategies and operating condition changes on performance and adjust strategies as needed to meet targets and goals. Strategic analyses, targets and goals, as well as past performance assessments are available online at:
http://www.alaska.edu/swbudget/pm/details.xml.

The proposed FY08 PBB funding pool consists of $2 million in base general fund, with additional one-time funding of up to $2 million as performance warrants. In order for PBB to reach full maturity as an effective planning tool, the annual performance award pool will continue to increase, up to a level of about 2 percent of annual base funding for the university system by FY12.

Table 1 provides system-level performance trends as well as UA's future targets and goals, and is followed by highlights for each measure. Note that these targets and goals were set under the assumption of state support for fixed costs, as well as requested workforce programs and research growth. Given that current state support is lower than expected, adjustments to UA's performance expectations are likely. Other major assumptions for the target and goal levels in table 1 are listed in the appendix.

Table 2 states revenue projections and Table 3 states expenditure projections associated with these performance targets and goals, showing a financial model under which the desired performance can be achieved. If these revenue and expenditure projections are not met, capacity for meeting performance targets and goals will be impacted.

Table 1. University of Alaska

Performance-Based Budgeting Performance Measures, FY03-FY12

High Demand Job Graduates	FY03 Actuals	FY04 Actuals	FY05 Actuals	FY06 Actuals	*FY07 Estimates*	FY07 Targets	FY08 Targets	FY09 Goals	FY10 Goals	FY11 Goals	FY12 Goals
UAA	1,132	1,227	1,267	1,350	*1,560*	1,371	1,423	1,487	1,542	1,595	1,648
UAF	572	603	640	700	*750*	704	752	793	837	879	922
UAS	155	176	181	197	*240*	226	246	263	280	303	316
Health	*487*	*612*	*644*	*676*	*750*	*703*	*730*	*780*	*830*	*860*	*900*
Engineering/Construction	*112*	*129*	*169*	*211*	*220*	*225*	*255*	*265*	*275*	*285*	*300*
High Demand Job Graduates	**1,859**	**2,006**	**2,088**	**2,247**	***2,550***	**2,301**	**2,421**	**2,543**	**2,659**	**2,777**	**2,886**
Percent Change from Prior Year		**7.9%**	**4.1%**	**7.6%**	***13.5%***	**2.4%**	**5.2%**	**5.0%**	**4.6%**	**4.4%**	**3.9%**

FTFT Undergraduate Retention	FY03 Actuals	FY04 Actuals	FY05 Actuals	FY06 Actuals	FY07 Actuals	FY07 Targets	FY08 Targets	FY09 Goals	FY10 Goals	FY11 Goals	FY12 Goals
UAA	61%	65%	65%	64%	68%	65%	69%	69%	70%	70%	70%
UAF	66%	65%	65%	63%	66%	65%	67%	68%	70%	72%	73%
UAS	56%	57%	64%	66%	58%	65%	67%	68%	69%	70%	70%
Baccalaureate	*68%*	*70%*	*72%*	*70%*	*73%*	*72%*	*74%*	*76%*	*78%*	*80%*	*81%*
Baccalaureate Scholars	*79%*	*78%*	*82%*	*79%*	*80%*	*79%*	*81%*	*82%*	*85%*	*87%*	*88%*
Retention	**62%**	**64%**	**65%**	**64%**	**66%**	**65%**	**68%**	**69%**	**70%**	**71%**	**71%**
Percent Change from Prior Year		**3.0%**	**1.2%**	**-1.7%**	***3.3%***	**1.6%**	**4.6%**	**1.5%**	**1.4%**	**1.4%**	**0.0%**

Note: FY07 Targets represent nominal performance level. For UAA, the low, nominal and high FY07 target range was 60.3%, 64.7% and 65.2% respectively, while for UAF this range was 64%, 65% and 66% respectively, and for UAS this range was 64.7%, 65.4% and 65.6% respectively.

SCH Attempted (Thousands)	FY03 Actuals	FY04 Actuals	FY05 Actuals	FY06 Actuals	*FY07 Estimates*	FY07 Targets	FY08 Targets	FY09 Goals	FY10 Goals	FY11 Goals	FY12 Goals
UAA	311	329	331	336	*337*	346	353	360	367	375	382
UAF	168	179	172	169	*168*	170	172	177	182	187	192
UAS	55	51	54	52	*48*	52	53	54	55	56	57
SCH Attempted	**533**	**559**	**556**	**558**	***553***	**568**	**578**	**591**	**604**	**618**	**631**
Percent Change from Prior Year		**4.8%**	**-0.6%**	**0.3%**	***-0.8%***	**1.9%**	**1.8%**	**2.2%**	**2.2%**	**2.3%**	**2.1%**
FY08 Funding Impact - Expected Value							**563**	**577**	-	-	-

Note: Historical figures reflect Northern Military campus movement from UAA to UAF Tanana Valley Campus. Figures do not include year-long courses, which are equivalent to an additional 5,000, 4,700, 4,500, and 4,700 SCH at UAF in FY03, FY04, FY05 and FY06 respectively. Year long-courses are estimated to make up an additional 5,000 SCH in FY07.

Table 1. University of Alaska

Performance-Based Budgeting Performance Measures, FY03-FY12

Continued

Research Expenditures (Millions)	FY03 Actuals	FY04 Actuals	FY05 Actuals	FY06 Actuals	*FY07 Estimates*	FY07 Targets	FY08 Targets	FY09 Goals	FY10 Goals	FY11 Goals	FY12 Goals
UAA	10.2	11.1	11.3	13.7	*11.5*	13.3	13.6	13.8	13.8	13.6	13.7
UAF	99.4	103.4	110.7	114.1	*118.0*	125.0	135.0	145.0	155.0	165.0	175.0
UAS	1.2	1.0	0.6	0.8	*1.4*	0.8	0.8	0.9	1.0	1.0	1.0
Research Expenditures	**110.8**	**115.5**	**122.6**	**128.6**	***130.9***	**139.1**	**149.4**	**159.7**	**169.8**	**179.6**	**189.7**
Percent Change from Prior Year		**4.2%**	**6.1%**	**4.9%**	***1.8%***	**8.2%**	**7.4%**	**6.9%**	**6.3%**	**5.8%**	**5.6%**
				FY08 Funding Impact - Expected Value			**134.8**	**140.9**	**-**	**-**	**-**

University Generated Revenue (Millions)	FY03 Actuals	FY04 Actuals	FY05 Actuals	FY06 Actuals	*FY07 Estimates*	FY07 Targets	FY08 Targets	FY09 Goals	FY10 Goals	FY11 Goals	FY12 Goals
UAA	97	104	108	118	*126*	124	132	139	146	156	166
UAF	168	182	194	204	*216*	217	228	244	264	275	292
UAS	17	19	18	20	*20*	21	23	25	26	28	31
SW	11	13	17	22	*24*	22	22	23	23	24	24
University Generated Revenue	**293**	**317**	**337**	**364**	***386***	**384**	**405**	**430**	**460**	**483**	**512**
Percent Change from Prior Year		**8.5%**	**6.2%**	**7.9%**	***6.1%***	**5.5%**	**5.5%**	**6.3%**	**6.9%**	**5.0%**	**6.1%**
				FY08 Funding Impact - Expected % Change from Prior Year			**5.0%**	**5.0%**			

Table 2. University of Alaska
Five Year Revenue Budget Model - Growth Scenario

Revenue Source	FY04 Actuals	FY05 Actuals	FY06 Actuals	FY07 Estimates	FY08 Estimates	FY09 Projections	FY10 Projections	FY11 Projections	FY12 Projections	Average Annual % Change FY04-FY08	Average Annual % Change FY09-FY12
GF/GFM/GF MHT	212,715.0	228,266.0	245,366.2	279,650.0	289,436.3	312,591.2	337,598.5	364,606.4	386,482.8	8%	8%
Workforce Development Funds	2,868.9	2,868.9	2,822.6	2,882.0	3,134.3	3,228.3	3,325.2	3,424.9	3,527.7	2%	3%
State Appropriations*	**215,583.9**	**231,134.9**	**248,188.8**	**282,532.0**	**292,570.6**	**315,819.5**	**340,923.7**	**368,031.3**	**390,010.4**	**8%**	**7%**
Receipt Authority											
Interest Income	1,026.6	2,263.7	5,291.2	9,896.1	6,960.0	7,064.4	7,135.0	7,206.4	7,278.5	78%	1%
Auxiliary Receipts	37,172.1	37,629.0	40,120.5	41,183.2	42,418.7	44,115.4	45,880.1	47,715.3	52,715.3	3%	6%
Student Tuition/Fees (net)	61,494.6	69,484.1	78,734.3	85,595.0	92,442.6	97,989.2	103,868.5	110,100.6	116,706.7	11%	6%
Indirect Cost Recovery (ICR)	29,724.0	31,217.0	31,856.5	31,926.4	33,363.1	34,864.4	36,956.3	39,543.2	42,706.7	3%	6%
University Receipts	51,470.3	56,036.2	51,810.8	57,421.1	67,601.9	78,570.5	94,122.9	112,827.3	135,863.9	7%	19%
University Receipts Subtotal	180,887.6	196,630.0	207,813.3	226,021.8	242,786.3	262,603.9	287,962.8	317,392.8	355,271.0	8%	10%
Federal Receipts	113,054.4	115,955.3	119,794.1	123,882.8	129,457.5	135,283.1	143,400.1	153,438.1	165,713.2	3%	6%
State Inter Agency Receipts	9,357.6	10,405.9	12,069.8	12,051.2	12,412.7	12,785.1	13,168.7	13,563.7	13,970.6	8%	3%
MHTAAR	50.0	50.0	558.0	825.0	1,085.0	1,117.6	1,151.1	1,185.6	1,221.2	274%	3%
CIP Receipts	2,236.4	2,328.1	2,898.4	2,949.6	3,038.1	3,129.2	3,223.1	3,319.8	3,419.4	8%	3%
UA Intra Agency Receipts	45,693.1	40,232.1	42,889.6	42,343.0	42,343.0	43,613.3	44,921.7	46,269.3	47,657.4	-2%	3%
Receipt Authority	**351,279.1**	**365,601.4**	**386,023.2**	**408,073.4**	**431,122.6**	**458,532.2**	**493,827.5**	**535,169.4**	**587,252.8**	**5%**	**8%**
Total Actual Revenue	**566,863.0**	**596,736.3**	**634,212.0**	**690,605.4**	**723,693.2**	**774,351.7**	**834,751.2**	**903,200.8**	**977,263.2**	**6%**	**8%**
Excess Authority	82,709.1	68,486.8	80,012.8	83,501.7	75,097.3	80,000.0	80,000.0	80,000.0	80,000.0		
Revenue Budget	649,572.1	665,223.1	714,224.8	774,107.1	798,790.5	854,351.7	914,751.2	983,200.8	1,057,263.2	5%	7%

Assumptions: (1) State appropriations sufficient to cover unavoidable fixed cost increases; as well as provide modest program growth and investment in research. (2) Receipt Authority increases are based on full state appropriations. (3) Student Tuition/Fees increase by 8% in FY08 and 6% per year thereafter. (4) Auxiliary Receipts increases by 4% per year FY09-FY11, then due to oncoming housing, at 50% capacity, increases by $5m in FY12. (5) Federal Receipts and ICR both increase by 4.5% in FY08 and FY09, but then start increasing by 6,7, and 8% per year in FY10, FY11, and FY12 respectively. (7) Interest income falling from the FY07 highpoint by 27%, then steadily growing by about 1% per year thereafter. (8) All other revenue sources steadily increasing at 3% per year.

*State Appropriations does not include one-time funds

Table 3. University of Alaska
Five Year Expenditure Budget Model - Growth Scenario

NCHEM Category	FY04 Actuals	FY05 Actuals	FY06 Actuals	FY07 Estimates	FY08 Estimates	FY09 Projection	FY10 Projection	FY11 Projection	FY12 Projection	Average Annual % Change FY04-FY08	Average Annual % Change FY09-FY12
Instruction and Student Related											
Academic Support	26,678.8	31,553.0	36,204.7	40,072.1	41,675.0	43,342.0	44,909.1	46,705.4	48,573.6	12%	4%
Instruction	148,323.4	152,818.4	165,097.2	183,268.1	194,447.5	214,246.4	236,511.0	256,680.7	278,514.7	7%	9%
Intercollegiate Athletics	7,367.1	7,933.5	8,961.9	9,438.2	9,815.7	10,306.5	10,657.5	11,641.3	12,581.7	7%	6%
Library Services	16,471.7	14,648.4	15,121.2	15,937.1	16,574.6	17,403.3	17,995.3	19,657.6	21,245.7	0%	6%
Scholarships	13,900.4	13,921.3	15,361.4	16,143.1	16,788.8	17,628.3	18,227.9	19,912.2	21,520.7	5%	6%
Student Services	26,533.1	28,533.3	30,198.8	32,539.4	33,841.0	35,533.0	37,525.8	40,527.8	43,770.1	6%	7%
Instruction and Student Related	239,274.5	249,407.9	270,945.2	297,398.0	313,142.6	338,459.5	365,826.6	395,125.0	426,206.5	7%	8%
Infrastructure											
Institutional Support	75,560.7	83,830.4	86,947.4	99,126.0	102,099.8	107,204.8	113,217.0	122,274.3	132,701.8	8%	7%
Debt Service	3,385.9	3,675.7	3,426.9	3,677.5	3,742.5	3,625.2	4,592.9	4,081.7	4,087.3	3%	3%
Physical Plant	59,255.8	61,268.8	62,736.5	69,096.2	73,242.0	78,368.9	84,325.5	91,071.6	98,357.3	5%	8%
Infrastructure	138,202.4	148,774.9	153,110.8	171,899.7	179,084.3	189,198.9	202,135.4	217,427.6	235,146.4	7%	7%
Public Service	26,420.8	29,335.8	31,203.4	34,685.1	36,072.5	37,876.1	40,000.3	43,200.3	46,656.3	8%	7%
Research	125,513.5	131,292.0	138,212.0	144,985.7	152,091.4	163,349.7	178,771.6	195,589.1	213,246.5	5%	9%
Auxiliary Services	37,451.8	37,925.7	40,740.6	41,636.9	43,302.4	45,467.5	48,017.3	51,858.8	56,007.5	4%	7%
Total Expenditures	**566,863.0**	**596,736.3**	**634,212.0**	**690,605.4**	**723,693.2**	**774,351.7**	**834,751.2**	**903,200.8**	**977,263.2**	**6%**	**8%**
Excess Authority	82,709.1	68,486.8	80,012.8	83,501.7	75,097.3	80,000.0	80,000.0	80,000.0	80,000.0		
Budget	649,572.1	665,223.1	714,224.8	774,107.1	798,790.5	854,351.7	914,751.2	983,200.8	1,057,263.2	5%	7%

State Account Description	FY04 Actuals	FY05 Actuals	FY06 Actuals	FY07 Estimates	FY08 Estimates	FY09 Projection	FY10 Projection	FY11 Projection	FY12 Projection	Average Annual % Change FY04-FY08	Average Annual % Change FY09-FY12
Commodities	54,787.9	59,990.2	57,759.5	57,301.9	60,167.0	67,368.6	72,623.4	78,578.5	85,021.9	2%	9%
Contractual Services	122,408.0	125,412.0	133,442.5	140,241.7	148,755.1	159,168.0	171,583.1	185,652.9	200,876.5	5%	8%
Equipment	15,504.5	12,590.1	10,640.9	15,867.7	16,185.1	16,508.8	17,796.5	19,255.8	20,834.8	4%	7%
Land/Buildings	3,313.5	3,160.9	3,090.3	5,330.3	5,436.9	5,545.6	5,978.2	6,468.4	6,998.8	17%	7%
Miscellaneous	10,853.4	12,772.2	13,040.4	17,120.8	17,938.5	18,511.5	20,363.7	22,562.7	24,973.6	14%	9%
Salaries & Benefits	327,151.6	346,827.2	377,371.3	414,896.4	433,566.7	463,916.4	501,092.9	543,288.2	588,976.7	7%	8%
Student Aid	16,577.6	18,317.9	19,584.5	20,003.9	21,404.2	22,688.4	24,049.7	25,492.7	27,022.2	7%	6%
Travel	16,266.5	17,665.8	19,282.6	19,842.8	20,239.7	20,644.4	21,263.7	21,901.6	22,558.7	6%	3%
Total	**566,863.0**	**596,736.3**	**634,212.0**	**690,605.5**	**723,693.2**	**774,351.7**	**834,751.2**	**903,200.8**	**977,263.2**	**6%**	**8%**

Assumptions: (1) Primary areas of growth are instruction, physical plant and research. (2) The instruction increase is due to internal reallocations and 2% of state appropriation increases directed at work force development and other high demand program growth. (3) Research growth is partially due to 2% of state appropriation increases directed at research. (4) The increase in state supported research will result in increases in Federal research funding. (5) Physical plant increases are due to an emphasis on M&R.

Note: Expenditures against one-time funds were not included.

Performance Measure Highlights

High Demand Job Area Programs

FY07 performance on this measure appears strong based on current estimates. UA will likely outperform its target on this measure for the second year in a row in FY07, with more than a 13% increase (about 200 degrees and certificates) from FY06. UA's FY07 target was a 6 percent increase over the FY06 target and a 2.5% increase over the stronger than expected FY06 performance. Final FY07 degrees awarded information will be available at the end of summer.

The university must average a 4.5 percent annual increase from FY08 to FY12 in the number of degrees awarded in high demand job programs to achieve its goal of almost 2,900 degrees in FY12. Enrollments in these programs are increasing at a rate consistent with meeting this goal, with an overall 23 percent increase from FY02 – FY07; however, it will be necessary to continue focusing internal resources to maintain this level of performance.

FY06 Final Performance

- UAA increased the number of high demand job area degrees from FY05 by more than 6 percent, falling in between its nominal and high FY06 goals of 1.5 percent increase (1,286) and a 6.8 percent increase (1,354), respectively.
- UAF increased the number of high demand job area degrees awarded by more than 9 percent (60) from FY05, nearly meeting the FY06 target of a 10 percent (66) increase. From FY04 – FY06, UAF increased the number of high demand job area degrees awarded by 16 percent. To meet its FY10 goal, UAF needs to maintain an average annual growth of more than 5 percent over the next four years. UAF is on track to meeting this goal, given recent enrollment growth in high demand job area degree programs.
- UAS did not meet its aggressive FY06 target of a 30 percent (50) increase for this performance measure; however, reasonable growth of more than 8 percent (16) was achieved. Enrollment in high demand job area degree programs is up 18 percent at UAS from FY02 – FY07.

Student Credit Hours

Current estimates for this performance measure indicate that UA will deliver slightly fewer SCH in FY07 than in FY06 (0.8% or 4,300 SCH), falling below the FY07 target increase of nearly two percent (10,400 SCH). It is important to note that while overall enrollment is relatively flat, enrollment in high demand job area programs is improving significantly.

FY06 Final Performance

- The UA system's FY06 target increase for student credit hour production was 3 percent (15,700 SCH) over the FY05 level; however, final student credit hour production for FY06 landed at 0.3 percent (1,800 SCH) above the FY05 level.
- An annual average increase of 2 percent is required to meet the targets and goals for FY09 through FY12. Steady enrollment gains will have to be made each year in order to meet future targets and goals for this performance measure at the system level.
- UAA FY06 student credit hour production is up 1.7 percent from FY05, surpassing its nominal target of a 0.4 percent increase and practically meeting its high target of a 1.8 percent increase.
- UAF student credit hour production peaked in FY04 and has decreased each year since. UAF's FY06 SCH production was down more than 1 percent from FY05 and down 5 percent from FY04 levels.
- In FY06, UAS SCH production fell 3 percent from the FY05 level, landing about 5 percent below the FY06 target value.

Undergraduate Retention

Final FY07 retention results confirm that UA has achieved an overall undergraduate retention rate of 66.1 percent, meeting its FY07 target, and showing a significant improvement from the FY06 performance level of 64 percent retention.

UAA retained 67.6 percent of first-time undergraduates in FY07, surpassing the high target of 65.2 percent retention. UAF retained 65.7 percent, falling between its nominal and high targets of 65 and 66 percent, respectively. UAS retained 57.5 percent, falling about six percentage points below its low target of 64.7 percent retention.

To achieve the 2012 retention goal of 71 percent, UA must increase by about 1 percentage point each year from FY09 through FY12. Reaching the FY12 goal will set UA above average for peer institutions and will be worthy of major celebration, but may prove to be a challenge.

Final FY06 Performance

- Undergraduate retention rates have increased significantly over the last few years; however, they can vary from year to year. UA undergraduate retention dropped slightly to 64.1 percent in FY06, down from 65.4 percent in FY05.
- Undergraduate retention at UAA dropped by more than a percentage point over the last year, from 65.9 percent in FY05 to 64.6 percent in FY06. UAF undergraduate retention dropped nearly two percentage points over the last year, from 65.3 percent in FY05 to 63.5 percent in FY06. UAF projected a target undergraduate retention rate of 65 percent in both FY06 and FY07.
- UAS maintained undergraduate retention levels over the last year, holding steady at 64.7 percent in FY06. Significant improvement on this measure has occurred

from FY03 to FY06. FY06 retention is 9 percentage points higher than in FY03 when only 55.6 percent of UAS undergraduates were retained.

Grant Funded Research Expenditures

Current estimates indicate FY07 grant-funded research expenditures will be nearly $131 million, almost 2 percent above FY06 levels. This falls below the FY07 system target expenditures of $139 million, which represent an 8 percent increase over FY06 levels.

To achieve its current research focus goal in 2012, UA must increase grant-funded research expenditures by an average annual rate of 7 percent from FY09 - FY12. Future targets and goals may be adjusted to accommodate anticipated operating conditions.

Final FY06 Performance

- From FY01 to FY05, grant-funded research expenditures increased by an average of 12 percent annually across the system; however, growth slowed to just under 5 percent in FY06, about two-thirds the target growth level. Given FY06 performance, a 6 percent increase is necessary in FY07 to meet the target.
- From FY05 to FY06, UAA grant-funded research expenditures increased by more than 20 percent ($2.4 million), surpassing its high FY06 target of 10 percent growth to a total of $12.4 million as well as the high FY07 target of $13.1 million.
- UAF grant-funded research expenditures increased more than 3 percent ($3.4 million) from FY05, landing at about $114 million in FY06. UAF's FY06 target of 119.0 million represented a 7.4 percent increase. In context of UAF's recent performance, an increase of more than 8 percent will be necessary to meet the FY07 target. Since UAF drives more than 90 percent of this performance measure for the system, steady, strong performance on this metric will be needed to meet system targets and goals in the future.
- UAS generated $800,000 in FY06 grant-funded research expenditures, up 33 percent ($200,000) from FY05. This performance is right in line with the FY06 target of $700,000.

University Generated Funds

Current estimates indicate FY07 university generated revenue will be about $386 million, about 6 percent above FY06 levels. The FY07 target increase for this performance measure was 5.5 percent ($384 million). This performance level is due to strong investment returns as a result of earning higher interest income. An in-depth analysis of the contributing revenue sources for this performance measure will be available at year end.

Final FY06 Performance

- UA exceeded its FY06 target and realized an increase of 9 percent ($18.7 million) on this performance measure. UA expects to meet its FY07 and FY08 targets, equivalent to a 6.5 and 5.5 percent annual increase, respectively. Continued growth in university generated revenue is expected due to increases in tuition revenue and development efforts; however, growth will be moderated by a smaller FY08 tuition rate increase than in recent years as well as slowing federal research investment. The proposed staff benefit rate increase may have a significant negative impact on this performance measure and is of particular concern relative to UA's competitive research capacity.
- UAA increased university generated revenue by about 9 percent ($10 million) in FY06. This performance falls above UAA's high FY06 target of a 7 percent ($8 million) increase and nearly meets the FY07 high goal as well.
- UAF increased university generated revenue by more than 7 percent ($13 million) over the last year, falling short of its FY06 target increase of 10 percent ($19 million).
- UAS exceeded its FY06 and FY07 target growth of $200,000, with more than 12 percent ($2.2 million) growth this year.
- University generated revenue at Statewide surpassed the FY06 target value due to exceptional interest income earnings in FY06.

Strategic Enrollment Management Planning

This process measure was reported for the first time by each MAU in the FY06 PBB reports. Phase I of this metric measures the number of academic colleges, schools, and community campuses having and responding to a strategic enrollment management planning process, relative to the total number of academic colleges, schools and community campuses. Along with a preliminary data report, MAUs provided an assessment of FY06 performance, accounting for expectations, strategies and mission in addition to setting targets and goals through FY12.

Phase II, starting in FY07, requires unit plan evaluations based on MAU-defined criteria. Phase II of the Strategic Enrollment Management performance measure[1] is now in place and reflected in FY07 performance reporting. This second phase marks a change in metric definition, now incorporating an MAU-level assessment of whether each school, college or extended site's enrollment management planning process is effective.

[1] See http://www.alaska.edu/swbudget/pm/currentpm/degreeprog/docs/EMMemochancellors.pdf for more details.

Academic Program Outcomes Assessment

This process measure was reported for the first time by each MAU in the FY06 PBB reports. In Phase I, this metric measures the proportion of programs conducting outcomes assessment and responding according to MAU guidelines. At a minimum, participating programs identify desirable student learning outcomes and have a plan to regularly measure their attainment. Along with a preliminary data report, MAUs provided an assessment of FY06 performance, accounting for expectations, strategies and mission in addition to setting targets and goals through FY12.

In Phase II, the definition of this metric will transition to a measure focused on a combination of continued assessment and successful response to outcomes assessment findings. At the request of MAU leadership, Phase II of the Academic Program Outcomes Assessment performance measure[2] will be used starting in FY08. This second phase marks a change in metric definition, now incorporating an MAU-level assessment of whether each program is successfully responding to the outcomes assessment findings.

[2] See http://www.alaska.edu/swbudget/pm/currentpm/outcomeassessment/docs/OAMemochancellors.pdf for more details.

Appendix

Assumptions for FY08 – FY12 Targets and Goals
January 2007
With Updates in Light of FY08 Budget
June 2007

Operating Condition Assumptions

- A portion of the growth in university generated revenue will be put toward program growth needs.
- Assumes an average annual tuition rate increase of 7% will be realized from FY08 - FY12 in addition to the 10% tuition rate increase implemented in FY07.
  UPDATE: Tuition rates will increase 5% each year.
- Reallocation between programs will be required to meet targets and goals.
- Faculty and staff productivity increases are required to meet targets and goals.
- Employee salary and contract provisions are similar to previous years, increasing at about 4.5% annually.
- PERS and TRS retirement system contribution rates will increase significantly; Health and other staff benefit increases will continue to rise, but at a moderate 3 to 5 percent rate after FY08.
  UPDATE: PER and TRS rates have been set at 22% and 12.56%, respectively. Health benefit contributions per employee will remain constant from FY08 – FY10, to reach the goal of an 80% employer/20% employee ratio for health care costs.
- State general fund increases will support all of retirement cost increases.
- State general fund will be appropriated to cover a proportional level of fixed costs and program growth.
  UPDATE: FY08 program growth funded entirely through reallocation.
- Facilities/space constraints will be accommodated through temporary measures until capital funding is made available.
- High demand occupational endorsements entered in Banner will count toward meeting high demand job area degree program targets and goals.
- Federal funding environment is likely to become less favorable.
- The number of Alaska high school graduates is predicted to decline after 2009, with a smaller number of urban high school graduates and a growing number of rural high school graduates.
- An increased need for successful developmental education and student success efforts will be required to offset declines in the number of high school graduates.
- Military deployments and major construction projects in Alaska may impact on-site enrollment and also provide a growing potential market for distance and asynchronous course enrollment.
- External economic conditions can impact performance, including high fuel prices, regional employment opportunities, etc. These are included in campus assessments.