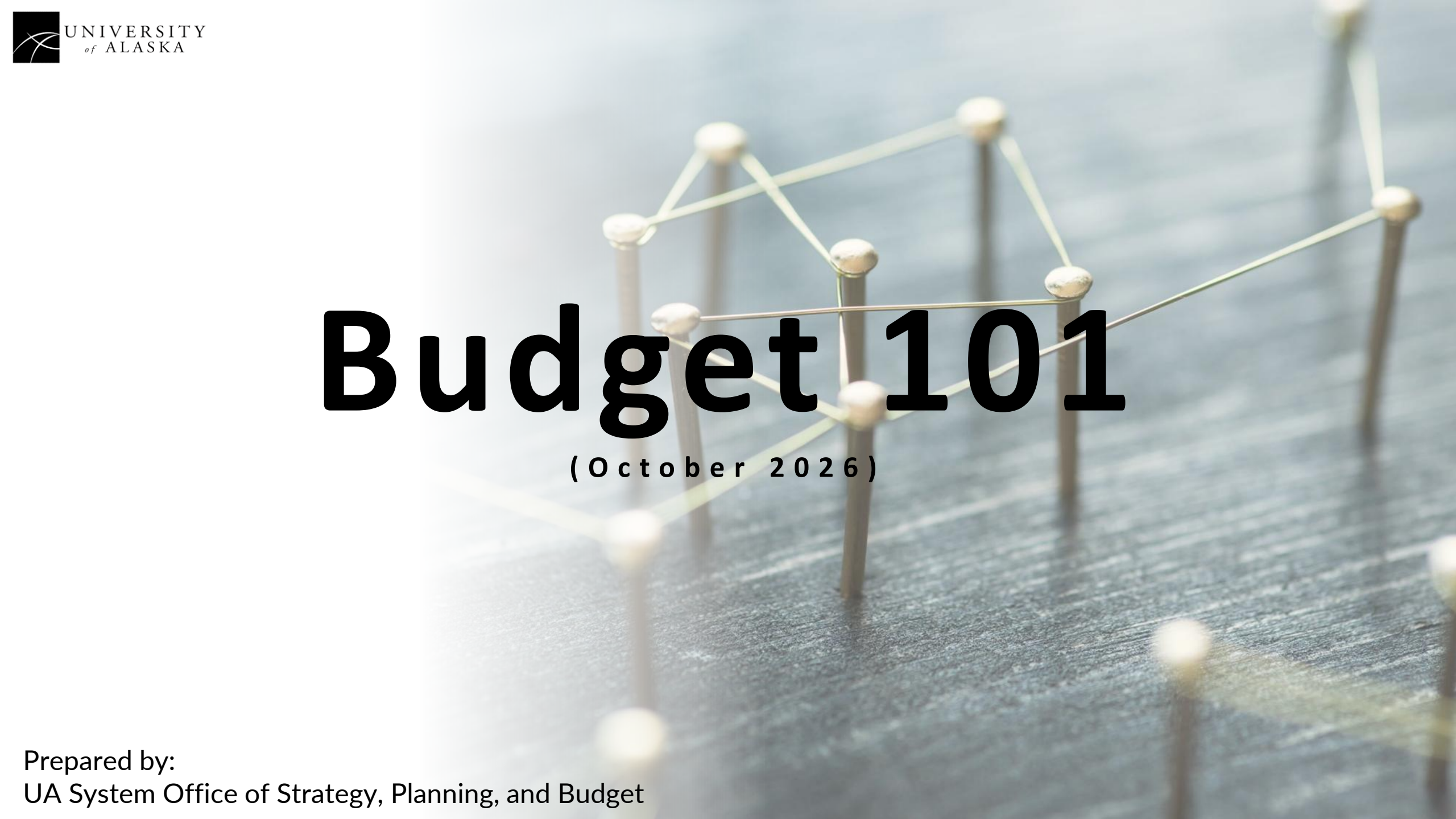
UNIVERSITY of ALASKA



Budget 101

(October 2026)

Prepared by:
UA System Office of Strategy, Planning, and Budget

UNIVERSITY of ALASKA

Overview

- Roles & Responsibilities
- Budget Cycle
- Basic Terminology
- Revenue
- Expenditure
- Published Information
- Appendix (Board Policies)

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Roles & Responsibilities



BUDGET PROCESS ROLES



State of Alaska

- Legislative Appropriation for State Funds
- Spending Authority for UA Earned Revenue



Board of Regents

- Reviews budget development guidelines
- Establishes system-wide priorities
- Approves budget requests, legislative appropriations, and spending plans



UA President

- Recommends budget development guidelines, budget requests, and funding distribution

System Office
Vice President of Finance

UAA
Chancellor

UAF
Chancellor

UAS
Chancellor

UNIVERSITY of ALASKA

Budget Process Responsibilities

Chancellor

- Lead university operations to reach respective strategic goals based on Board approved mission statement.
- Participate in annual budget development process.
- Participate in periodic financial management reviews.

System Office

- Coordinates annual budget development process:
  - Budget development guidelines
  - Budget request to the Board of Regents, Governor and Legislature
  - Budget advocacy throughout the legislative process
  - Budget implementation
- Corporate fiduciary responsibility including financial reporting to the State of Alaska.

Board of Regents

- Aug/Sept meeting: preview/discuss operating and capital budgets for upcoming year.
- Oct/Nov meeting: approve budget requests before submission to the governor (P05.01.010.A).
- May/June meeting: accept state appropriations to the university and approve budget distribution plans (P05.01.040). Review/discuss budget development guidelines.

UA System Offices

UA Office of Strategy, Planning and Budget

https://www.alaska.edu/swbudget/budget_planning/

- Serves as a liaison between UA and the State of Alaska (SoA) regarding the operating and capital budgets (requests, appropriations, expenditures, positions, etc.).
- Main point of contact for the State Office of Management and Budget (OMB) and Legislative Finance.
- Collects, compiles, and analyzes data regarding university budget, actuals, programs, and historical information. Final publications are posted on the department website.
- Provides various budget balancing and data entry error reports to help ensure financial data has been accurately recorded. This is mostly focused on State reporting.
- Coordinates the process to guide, review, evaluate and ultimately propose the UA operating and capital budgets to the UA Board of Regents (BOR) for approval and Governor/SoA for appropriation.
- Coordinates the development of the budget request and distribution plan for the entire UA System.

UA Government Relations https://www.alaska.edu/govrelations/

- Serves as the university's primary liaison to state policymakers and the Alaska legislature.
- Develop engagement strategies critical to moving the university's budget and policy priorities through the legislative process.
- Work to educate policymakers about UA's mission, impact and value, to elevate understanding and generate support.
- Work closely with Alaska's congressional delegation to represent UA's funding interests and policy goals in Washington D.C.

UNIVERSITY of ALASKA

MAU Budget Offices

Provide daily guidance and operational assistance to departments regarding budget and financial compliance and reporting.

UAA Budget Office

- uaa_budget@alaska.edu
- https://www.uaa.alaska.edu/about/administrative-services/departments/budget-office/

UAS Budget Office

- uas_jybudget@uas.alaska.edu
- https://uas.alaska.edu/budget/index.html

UASO Budget Office

- dadenton@alaska.edu
- https://www.alaska.edu/controller/statewide-mau-budget/

UAF Budget & Cost Records

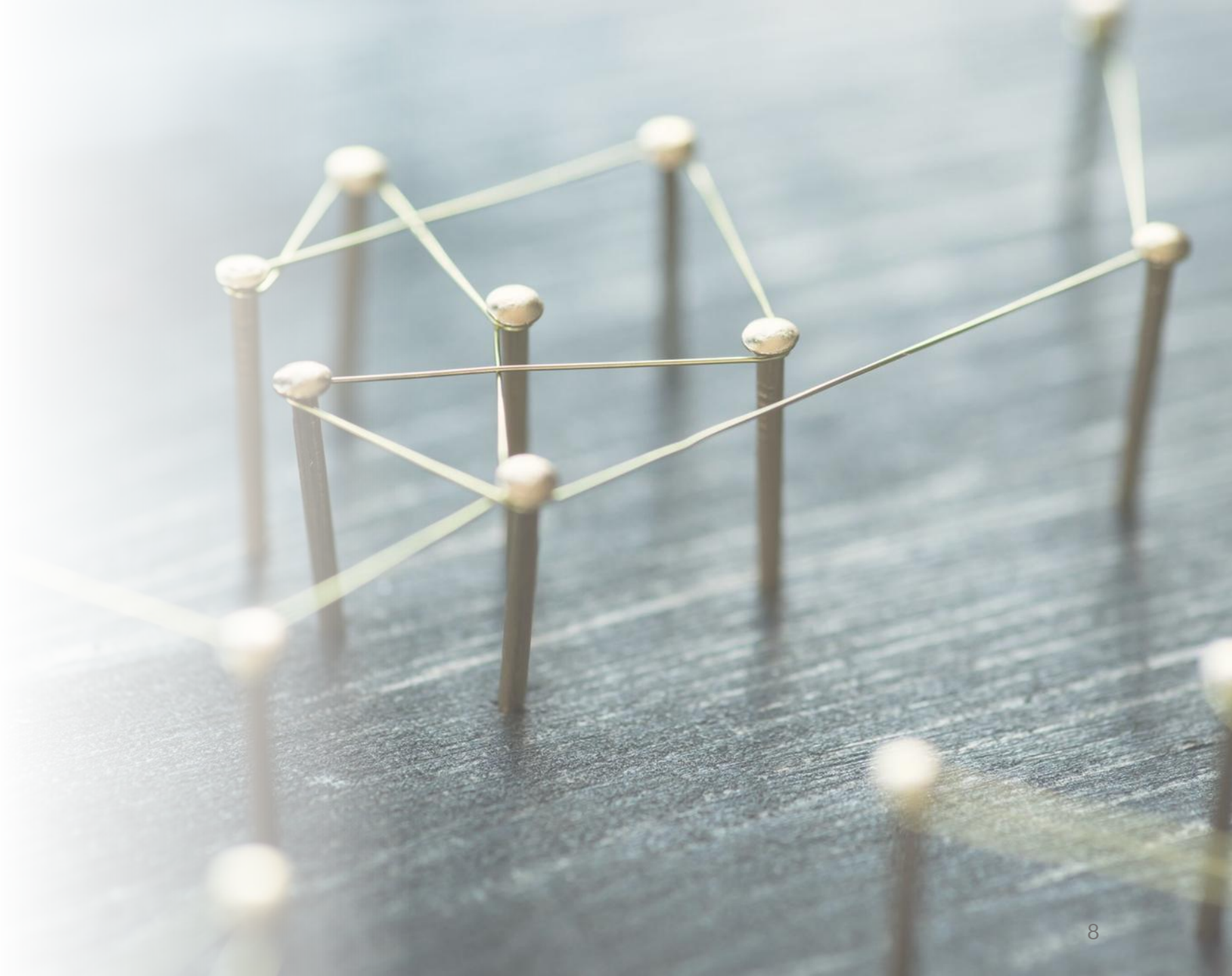
- uaf-budget@alaska.edu
- https://www.uaf.edu/finserv/finance-accounting/contact-us.php

UAF Office of Management & Budget

- uaf-omb@alaska.edu
- https://www.uaf.edu/finserv/omb/contact/index.php

UNIVERSITY of ALASKA

Budget Cycle



UNIVERSITY of ALASKA

BUDGET CYCLE

May – July 2026

FY26 Close

FY27 Implement Budget Plans

FY28 Budget Guidelines Developed

Aug – Sep 2026

FY26 Final SoA Reporting, UA Financials

FY28 BOR Discuss Operating & Capital Budgets

Oct – Nov 2026

FY27 BOR 1st Quarter Financial Review

FY28 BOR Approves Operating & Capital Budget Request (P05.01.010A)

Dec 2026 – Jan 2027

*Governor Proposes **FY28** Budget to Legislature*

Legislative Session Begins

Feb – Mar 2027

FY27 BOR 2nd Quarter Financial Review

FY27 BOR Approves Supplemental Operating & Capital Budget Request (P05.01.010A, P05.01.030A1)

FY28 BOR Approves Amended Operating & Capital Budget Request (P05.01.010A, P05.01.030A2)

Apr – June 2027

*Legislature Passes **FY28** Budget Bill(s)*

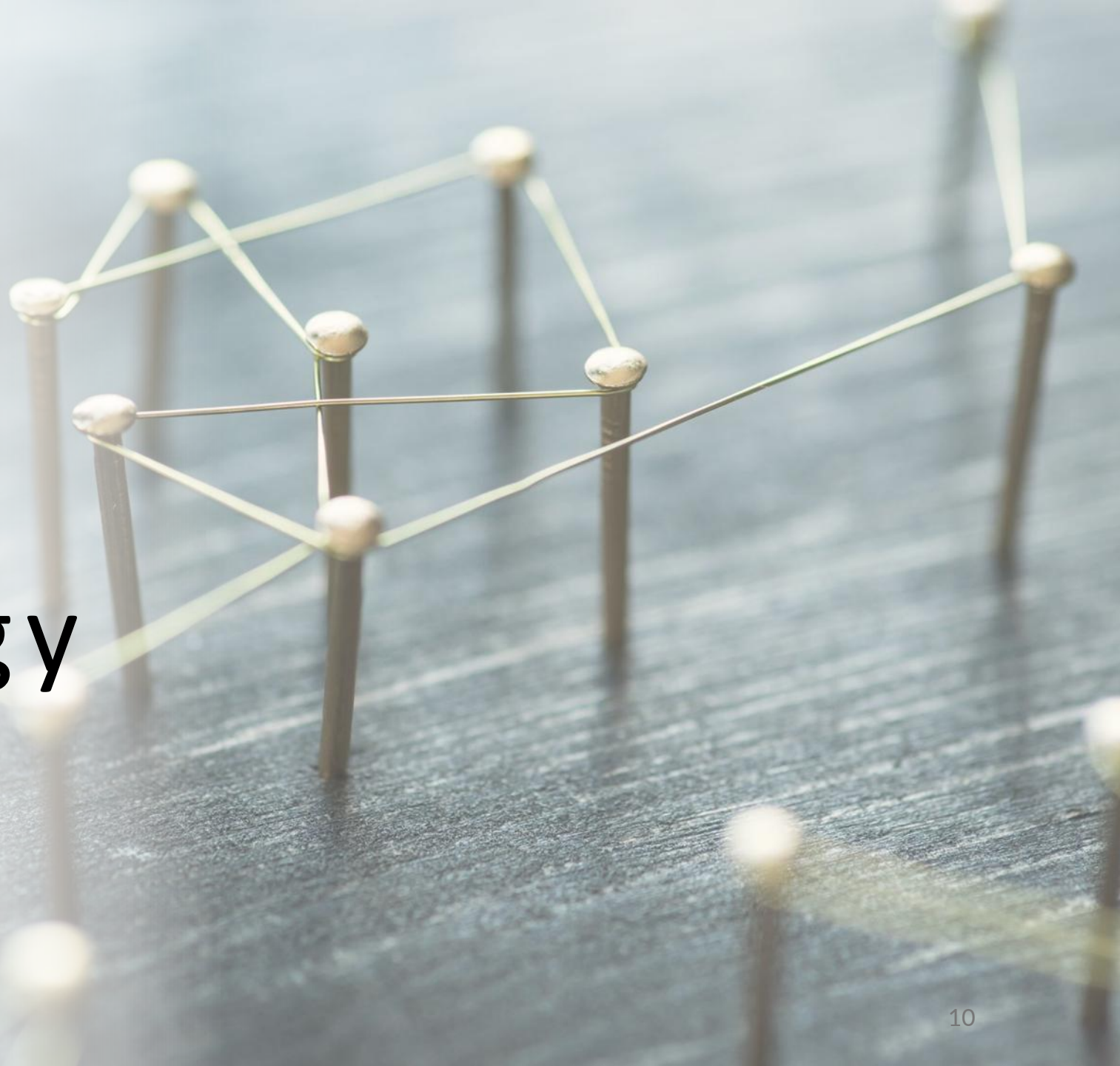
*Governor Signs/Vetoes **FY28** Budget Bill(s)*

FY28 BOR Accepts Appropriations & Distribution Plans (P05.01.040)

FY27 BOR 3rd Quarter Financial Review

UNIVERSITY of ALASKA

Basic Terminology



Key Budget Terminology

Fiscal Year

UA & State of Alaska operate on a fiscal year that runs from July 1 to June 30

Operating Budget

An operating appropriation is a statutory authorization to spend a specific amount of funds for a stated purpose. Appropriations to specified State agencies are often subdivided into allocations in the "numbers section" of an appropriation bill. Other, more specific, operating appropriations are stated in the "language section" of a bill. Funds may not be spent without an appropriation made by law.

Capital Budget

Multi-year funds that are good for the life of the project, with annual review beginning five years after appropriated. Generally used for facility construction, maintenance, or repairs. But, can also be for specific research or one-time investment (e.g. upgrading UA's student IT system).

Appropriation

Statutory authorization to spend a specific amount of money for a stated purpose. Appropriations are often subdivided into allocations in the appropriations bill. Funds may not be spent without an appropriation made by law. Funds may not be transferred across appropriations.

Allocation

A subunit of appropriations in appropriation bills. Allocations are expenditure guidelines for a stated purpose or program.

Reimbursable Services Agreement (RSA)

An agreement or contract between two state agencies (or between appropriations within one agency) where one agency provides a service and the other agency pays for the service.

Position Control Number (PCN)

A six or seven-digit code identifying a budgeted position.

UNIVERSITY of ALASKA

UA Financial Data

UA financial codes organize specific information (the accounting string) at the transaction level within our system of record (Banner) to identify the transaction from various perspectives. Banner utilizes hierarchies to group activity. The accounting string is sometimes referred to by the acronym FOAPAL, representing fund, organization, account, program, activity and location codes.

- **F**und: Categorizes the transaction based on the funding source (6 numeric digits).
- **O**rganization: Categorizes the transaction-based organizational structure. Can be rolled-up for higher level reporting. The lowest level is 5 numeric digits.
- **A**ccount: Places the transaction in a revenue or expense category in alignment with UA's accounting manual.
- **P**rogram: Classifies the transaction relating to budget appropriation, allocation, and NCHEMS expenditure category.
- **A**ctivity: Designates the purpose of an expense incurred; like a job code, project code, or for event reporting.
- **L**ocation: The physical location of the institution's financial manager.

- Additional detail can be found in the Accounting & Administrative Manual: https://www.alaska.edu/controller/acct-admin-manual/account-codes/

UNIVERSITY of ALASKA

State Budget System (SBS)Codes

For reporting purposes, the State of Alaska accounting system uses SBS codes to group transactions. Revenues are based on state fund code definitions. Expenses are based on the natural classification structure. The SBS code is listed for each revenue source and expenditure category and is defined in Banner through the account code hierarchy.

Revenue (Fund Codes)

- 1002 Federal Receipts
- 1003 General Fund Match
- 1004 State General Fund
- 1007 State Inter-agency Receipts
- 1037 General Fund Mental Health Trust
- 1048 University Receipts
- 1061 Capital Improvement Project Rcpts
- 1092 Mental Health Trust Authority Authorized Receipts (MHTAAR)
- 1108 Statutory Designated Program Receipts (SDPR)
- 1151 Technical Vocational Education Program (TVEP)
- 1174 UA Intra-agency Rcpts
- 1226 Higher Education Investment Fund (HEIF)

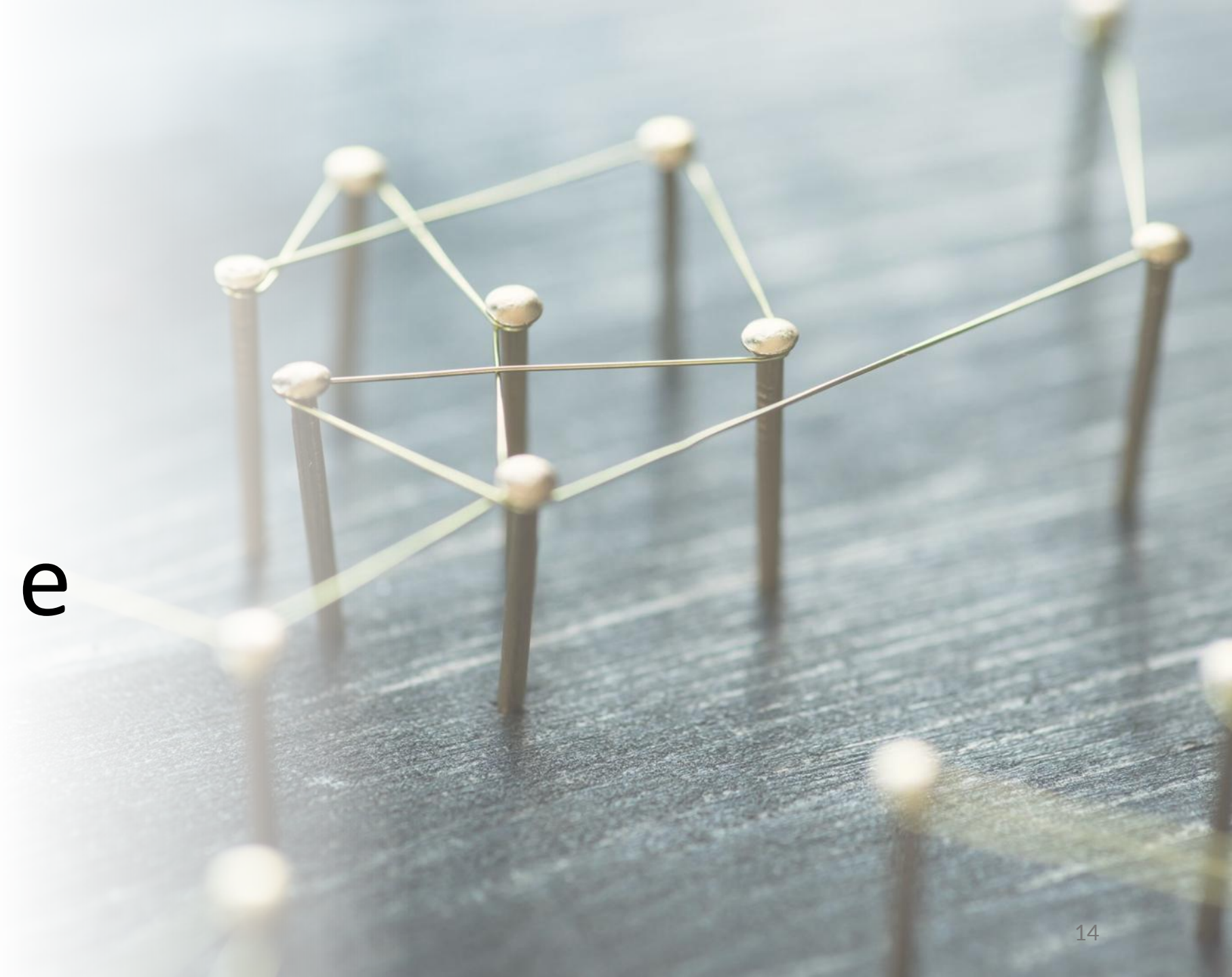
Expense (Fund Codes)

- 71000 Personal Services
- 72000 Travel
- 73000 Contractual Services
- 74000 Commodities
- 75000 Capital Outlay
- 77000 Grants/Benefits (student aid)
- 78000 Miscellaneous (debt service)

Additional detail can be found in the annual Operating and Capital Budget publication (aka Yellowbook) Appendix C
https://www.alaska.edu/swbudget/budget_planning/

UNIVERSITY of ALASKA

Revenue



Revenue Types

Unrestricted (fund type 10)

- There are no statutory designations or restrictions on funding from this source.
- Funds are available for use within the current fiscal year.

Auxiliary (fund type 30)

- Unrestricted funds of enterprises that furnish services directly or indirectly to students, faculty, or staff.

Designated (fund type 15)

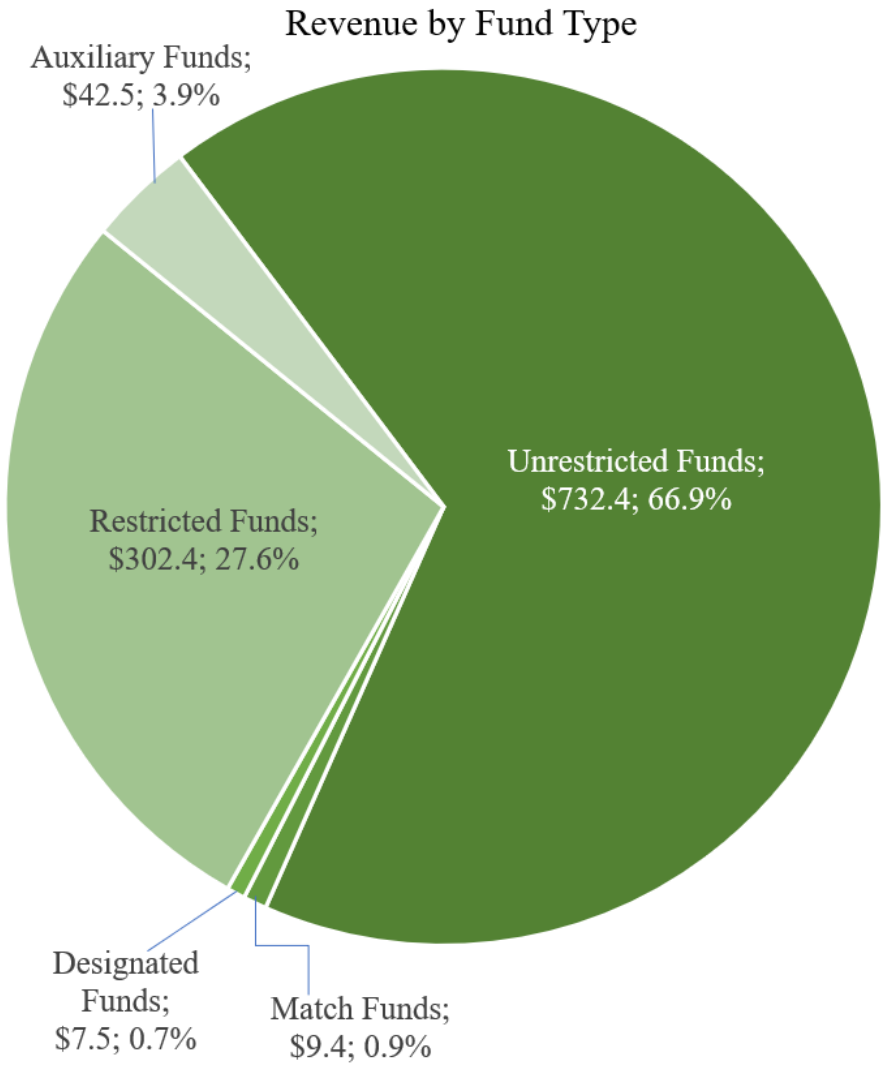
- Unrestricted current funds that have an internal restriction.

Match (fund type 14)

- A hybrid fund type between unrestricted and restricted; while they are an integral part of restricted program management, the funding for them derives from unrestricted sources.

Restricted (fund type 20)

- Funds are limited to a specific purpose or project by the provider as a condition of receiving the funds.



FY26 Revenue by Fund Type (in millions of $)

Revenue Sources

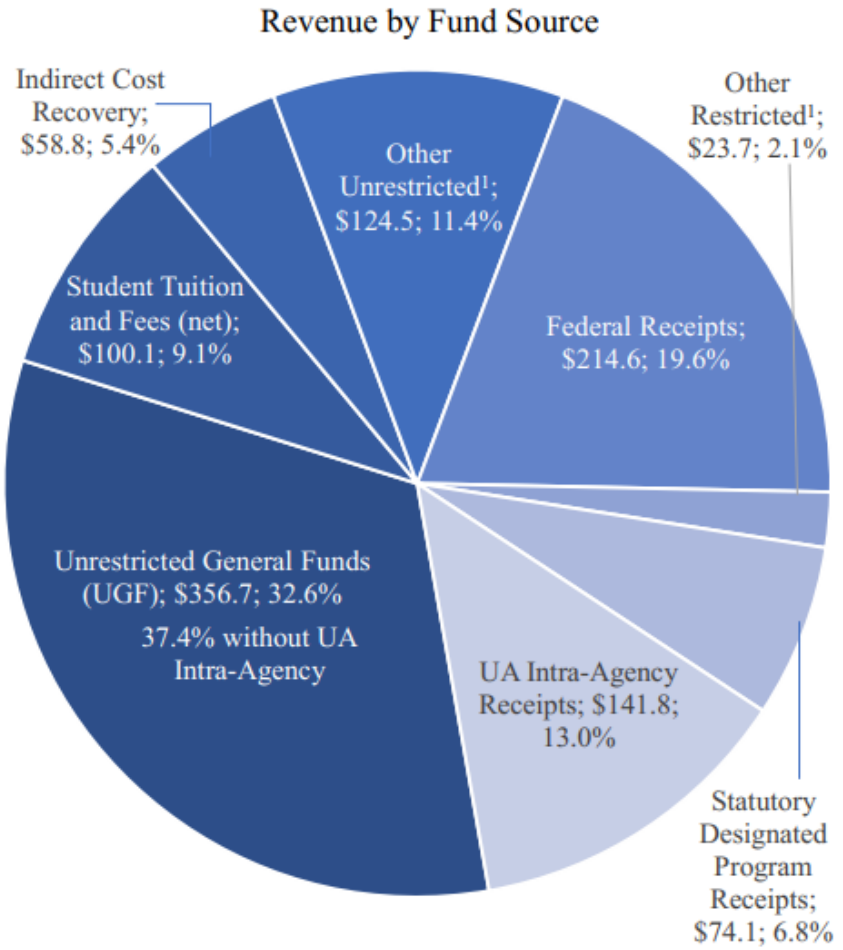
State fund groups (Unrestricted General Funds, Designated General Funds, Federal Funds, and Other Funds) are used to summarize budget activity and indicate the level of discretion over the use of the funding.

Unrestricted (available for use in the current fiscal year)

- Unrestricted General Funds (UGF)
- Mental Health Trust Funds (UGF or other)
- Tuition & Fees (DGF)
- Interest Income (DGF)
- Indirect Cost Recovery (DGF)
- Auxiliary Receipts (DGF)
- UA Receipts (DGF)
- Higher Education Investment Fund (DGF)
- Technical Vocational Education Program (TVEP) (DGF)
- State Inter-agency Receipts (other)
- UA Intra-agency Receipts (other)

Restricted (limited to a specific purpose or project)

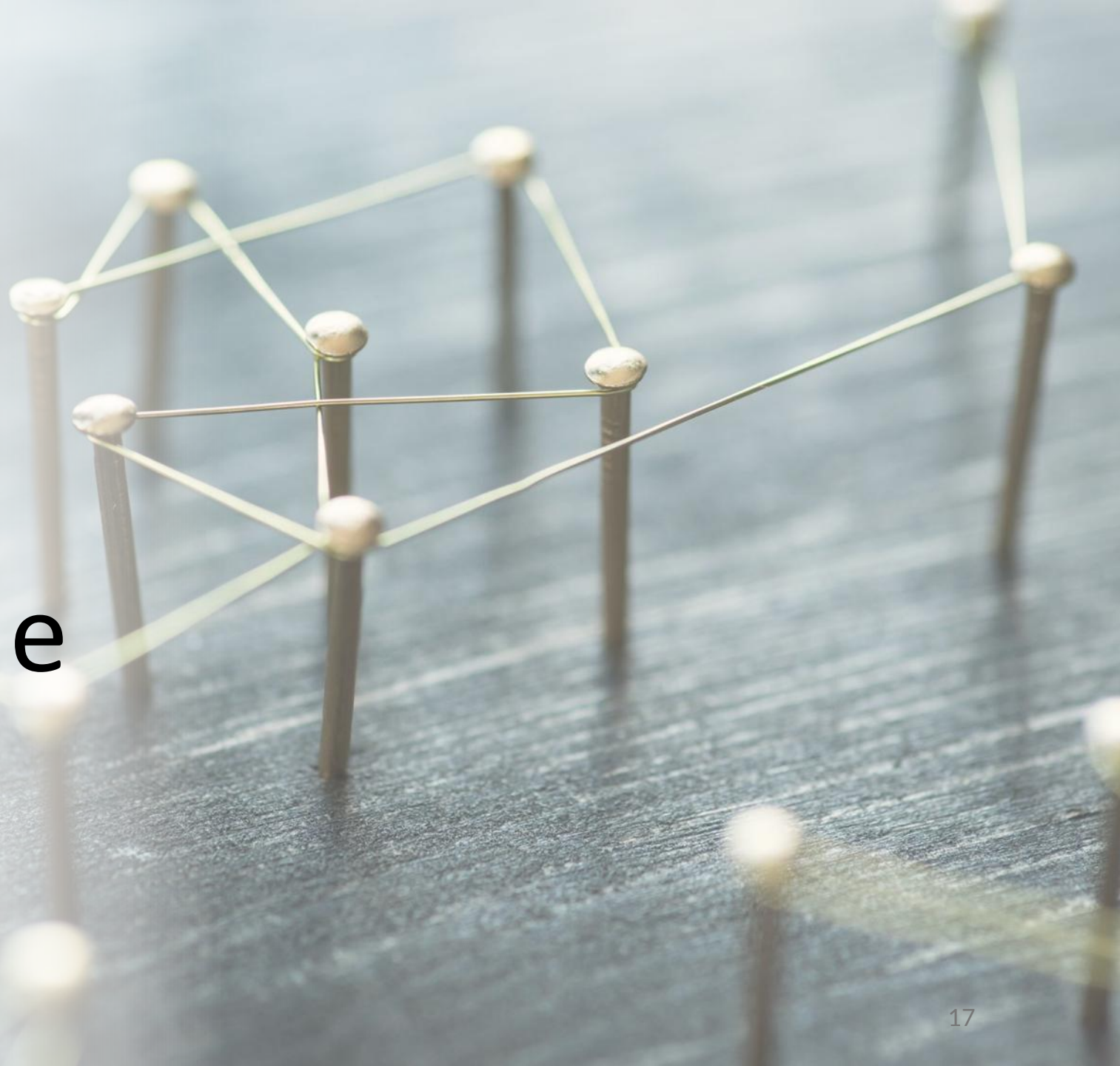
- Grant Funds (one-time or multi-year)
- Federal Funds (Fed)
- Statutory Designated Program Receipts (other)



FY26 Revenue by Fund Source (in millions of $)

UNIVERSITY of ALASKA

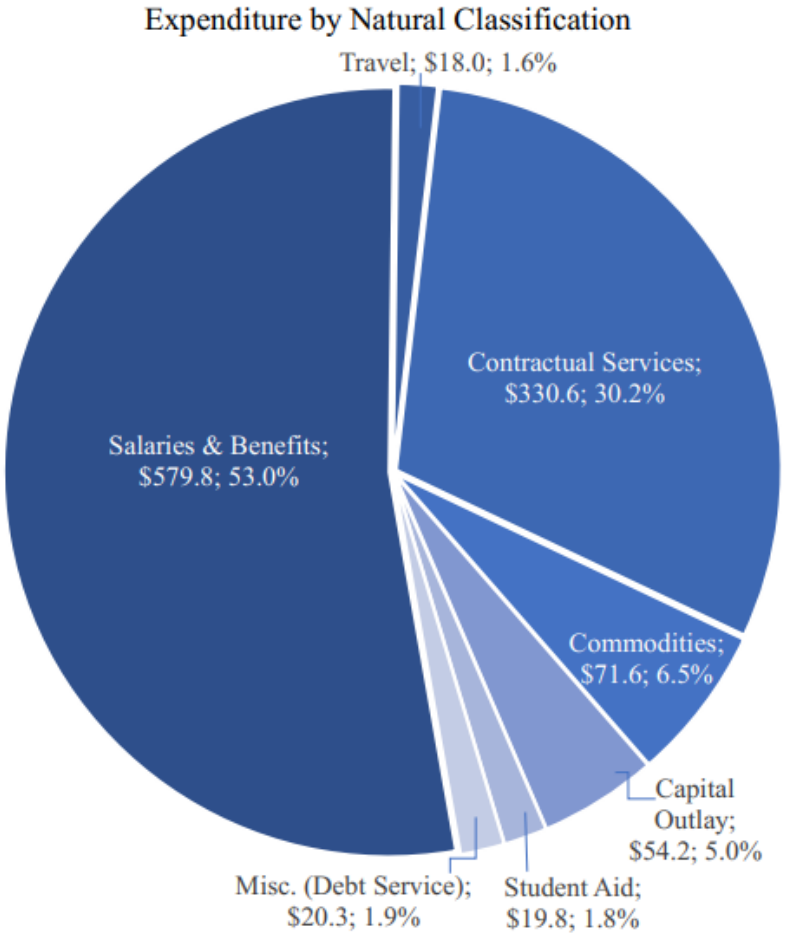
Expenditure



State Expenditure Types

The State of Alaska requires agencies to report actual and budgeted expenditures in the following categories (Natural Classifications):

- Personal Services
- Travel
- Contractual Services
- Commodities
- Capital Outlay
- Grants/Benefits (student aid)
- Miscellaneous (debt service)

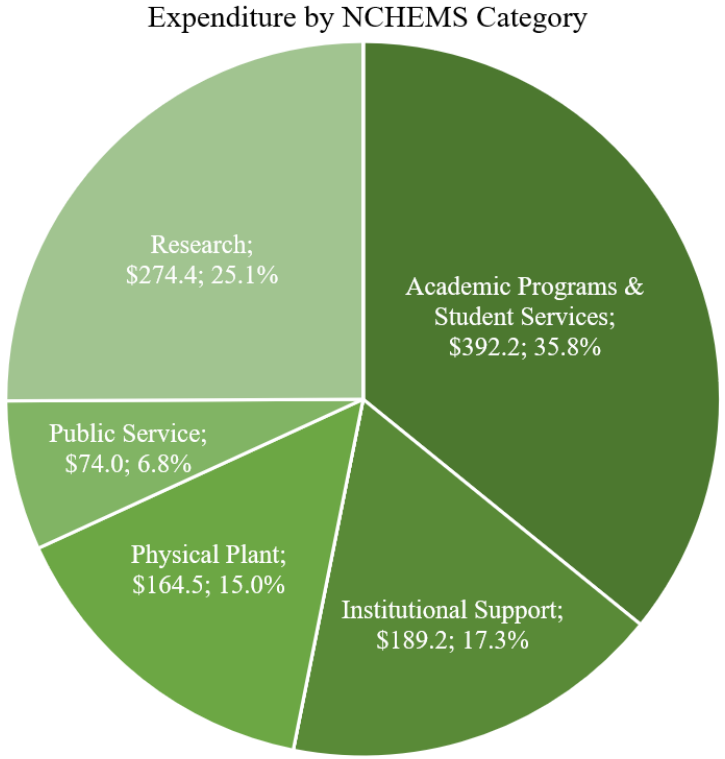


FY26 Expenditure by Natural Classification (in millions of $)

UA Expenditure Types (NCHEMS)

Through the use of defined program codes, the University of Alaska classifies all expenditures into standardized categories that are nationally recognized and utilized by most higher education institutions. These categories were published by the National Center for Higher Education Management Systems (NCHEMS):

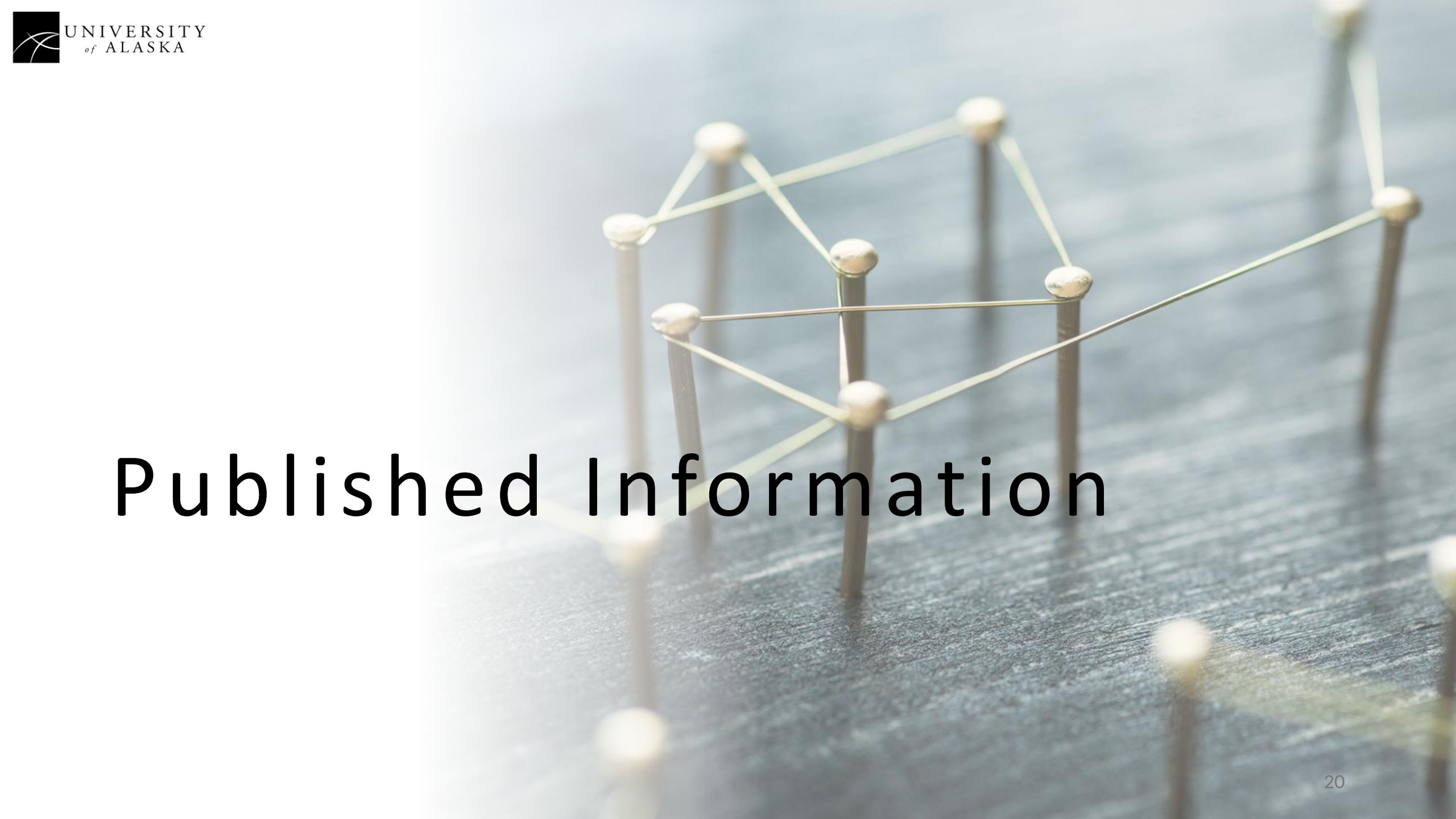
- Academic Programs & Student Services
  - Academic Support
  - Instruction
  - Intercollegiate Athletics
  - Library Services
  - Scholarships
  - Student Services
  - Auxiliary Services
- Research
- Public Service
- Institutional Support
- Physical Plant



FY26 Expenditure by NCHEMS category (in millions of $)

Additional detail can be found in the Accounting & Administrative Manual – Program Code Definitions:
https://www.alaska.edu/controller/acct-admin-manual/account-codes/

UNIVERSITY of ALASKA



Published Information

UA Strategy Planning & Budget

https://www.alaska.edu/swbudget/budget_planning/

- **Board of Regents Budget Documents**
  Annual operating and capital budget requests (Oct/Nov) and budget distribution plans (May/June) approved by the Board of Regents.
- **Operating and Capital Budget Requests (aka Redbook)**
  Annual operating and capital budget requests with an introduction by the President and including additional supplemental information and context.
- **Authorized Operating & Capital Budgets (aka Yellowbook)**
  This publication presents the UA's actual and budget information in accordance with the State of Alaska reporting requirements. This report includes revenue by funding source and expenditures by NCHEMS and the natural classification (state categories).
- **Facilities Inventory**
  A comprehensive listing of physical assets owned and operated by UA. Information includes: age, gross square footage (GSF), facility investment value (including capitalized improvements), and facility investment value adjusted to the current year.
- **Budget Development Documents**
  Budget development guidelines and calendar. Operating and capital budget process documents.

UA Finance Department

https://alaska.edu/fund-accounting/

- **Audited Financial Statements**
  The annual independent audit comprises of a comprehensive, systemic review of the University's financial position, activities and processes. This includes an opinion from independent auditors that the financial statements of an entity are presented fairly, in all materials respects, and are in accordance with Generally Accepted Accounting Principles (GAAP). These statements are submitted to the State of Alaska Department of Administration.
- **Single Audit (2 CFR 200)**
  This audit is administered by the University and focuses on the stewardship of federal funds. Audit participation is required for continued participation in various major federal programs including Federal Student Aid and research programs funded by agencies such as the National Science Foundation (NSF), the National Air and Space Administration (NASA) and the National Institutes of Health (NIH). The results demonstrate a reliable internal control system and compliance with federal rules and regulations. This review summarizes the UA system's performance with daily checks and balances, supervisory practices, external relationships with federal authorities and accounting, budgeting and cash management.

UA Institutional Research (IR)

On a regular basis each university and the system office IR units provide a wide variety of information related to UA finances, enrollment, employment and facilities.

- UAA Office of Institutional Research https://www.uaa.alaska.edu/academics/office-of-academic-affairs/institutional-effectiveness/departments/institutional-research/
- UAF Planning, Analysis and Institutional Research https://www.uaf.edu/pair/
- UAS Institutional Effectiveness https://uas.alaska.edu/ie/index.html
- System Office UA Data Strategy and Institutional Research https://www.alaska.edu/ir/index.php

State of Alaska

- **Legislative Finance Division (LFD)**
  http://www.legfin.akleg.gov/index.php
  State office providing non-partisan budgetary and fiscal analysis to the Alaska Legislature. LFD supports finance committees during the development of the State's budget by providing accurate, relevant and objective information and analysis to aid lawmakers as they make budgetary decisions. To inform constituents regarding the state's finances, LFD provides a wide range of reports and process documents.

  Budget Handbook: http://www.legfin.state.ak.us/Other/BudgetHandbook24.pdf

- **Office of Management & Budget (OMB)**
  https://omb.alaska.gov/
  Ensure state resources advance the Governor's priorities. OMB prepares the annual capital and operating budget and provides a budget submission timetable for executive branch agencies; coordinates the development of the Governor's budget and general appropriations budget bill; and reviews and approves proposed changes to agencies' plans to implement the budget appropriations.

- **SoA Comprehensive Annual Financial Reports (CAFR)**
  http://doa.Alaska.gov/dof/reports/annualreport.html
  A detailed presentation of the State's activities and balances for each fiscal year, which includes the UA. CAFR contains the independent auditor's report, management's discussion and analysis, government-wide financial statements, fund financial statements, notes to the financial statements, and required supplementary information.

UNIVERSITY of ALASKA

National Organizations

- **Integrated Postsecondary Education Data System (IPEDS)**
  https://nces.ed.gov/ipeds/
  Provides analysis of postsecondary education throughout the United States. All higher-education institutions that receive Title IV funding are required to report institutional information to IPEDS, such as graduation rates, enrollment, and employment data.

- **State Higher Education Executive Officers Association (SHEEO)**
  https://shef.sheeo.org/
  SHEEO coordinates the annual State Higher Education Finance (SHEF) survey and Grapevine report. SHEF is a national survey designed to compare higher education finance statistics between states and over time. The Grapevine report analyzes annual higher education finance trends. Their website includes a report archive and state finance profiles. Student enrollment trends are also included in these reports.

- **Gordian (formerly Sightlines)**
  https://www.gordian.com/
  Gordian is an independent consultant that evaluates facility services for many universities nationwide. Gordian has been providing UAA, UAF & UAS with facility management services for over 15 years. Reports cover metrics such as campus density, building age, space risk, system life cycle needs, funding and investment profiles.

UNIVERSITY of ALASKA



APPENDIX

UNIVERSITY of ALASKA

BOARD POLICIES- Budget Approval

Policy Reference		Date/Action
P05.01.010A Budget Policy	The budget of the university represents an annual operating plan stated in fiscal terms. **All budgetary requests shall be adopted by the board prior to submittal to the Office of the Governor or the legislature.**	Nov - BOR approves operating and capital budget requests
P05.01.030 Transfers and Budget Augmentation	A. The following types of **budget augmentations shall be subject to the approval of the board** and to additional approvals as may be required by the state: 1. requests for **supplemental funding** from the legislature to augment a current fiscal year budget; 2. 2. requests for **budget amendments from the governor** to augment or revise the governor's budget request to the legislature for a future fiscal year.	Feb - BOR approves supplemental operating and capital budget requests Feb - BOR approves amended operating and capital budget requests
P05.01.040 Acceptance of State Appropriations	The **board must accept state appropriations** to the university before any expenditure may be made against the appropriation.	May - BOR approves operating and capital budget appropriations and distribution plans
P05.01.041 Approval of Use of Fund Balance	The **board must approve any planned use of fund balance** by an MAU before any expenditure can be made against the fund balance.	Scheduled BOR meetings as necessary

UNIVERSITY of ALASKA

BOARD POLICIES- Budget Management

Policy Reference		Date/Action
P05.01.010B Budget Policy	**All administrative units within the university system shall operate strictly within the fiscal limits established by their respective annually adopted budgets and approved amendments**, in accordance with procedure established by the chief finance officer.	Nov, Feb, May & Sept - BOR quarterly financial reviews
P05.01.010E Budget Policy	**Income exceeding that of an approved budget shall not be expended without having first obtained authority to expend such funds** in accordance with procedure established by the chief finance officer.	Feb - BOR approves supplemental operating and capital budget requests
P05.01.050 Lapsing of Capital Appropriations	**All expenditures of capital funds shall be in accordance with the purpose or legislative intent of the respective appropriation and budget requests**, unless modified by the chief finance officer under revised program procedures approved by the state. Any unspent capital appropriation shall lapse upon completion or termination of the project or purpose of the appropriation in accordance with procedures established by the chief finance officer.	May - BOR approves capital budget appropriations and distribution plans Nov - Capital Appropriations Status Review May/June - Capital Appropriation Lapsing Review