



# UNIVERSITY of ALASKA ANCHORAGE

Office of the Chancellor

May 29, 2008

TO: Vice Chancellors, Deans, Directors  
FROM: Fran Ulmer, Chancellor  
SUBJECT: FY09 Base Operating Budget Allocations

I am pleased to release UAA's FY09 base operating budget allocations to colleges, schools, community campuses and other major budget units. These allocations are based on recommendations of the Planning and Budget Advisory Council (PBAC).

Attachment I summarizes the allocation decisions, both in base-level funding and one-time distributions. Highlights of the FY09 process include:

1. UAA's FY09 state general fund operating budget, which will be proposed to the Board of Regents at its June meeting, is \$114,638.1, an increase of \$8,958.1 (8.5%) over FY08. This includes \$4,882.4 for compensation increases and general fixed costs, and \$3,525.7 for priority program enhancements in the areas of Health, Engineering, and Student Success. In addition, funds were transferred from the capital budget to operating for the Small Business Development Center (\$550.0).
2. The FY09 operating budget for UAA is also built on tuition revenue projection assumptions of a 5% tuition rate increase. The current tuition revenue sharing model of 80% return to the school/college and 20% to central administration for campus-wide needs will continue in FY09.
3. In order to cover reallocations and other fixed costs, PBAC recommended a "holdback" process in which 1% of the prior year general fund budget for each major budget unit on the Anchorage campus will be held back for investments in priority programs. It is never easy to adjust departmental budgets downward, but in order to cover critical programs and other fixed costs, it was necessary to take this action.
4. The performance-based distributions will be handled in a different manner from past years. Rather than competing for funding from a central pool in Statewide, MAU campuses are required to set aside 1% of general funds for program enhancements. These funds, coupled with the 1% holdback mentioned above, will provide funding for areas such as the Library, Sustainability, Disability Support Services, Environmental Health and Safety, Advancement, CAS and Education.

5. Funds in the amount of \$986.2 will be distributed in FY09 to cover needs that are one-time in nature, such as accreditation, space needs on the Anchorage campus, elimination of the supertuition for Education, and an ISER faculty position. In addition, \$500.0 has been earmarked for the Strategic Opportunity Fund awards, as well as \$200.0 for the Chancellor's Research Awards.

I would like to thank the Planning and Budget Advisory Council for their work with the FY09 budget process. I appreciate the commitment and contribution made by the members to assist with the resource allocation process and look forward to working with the PBAC for the FY10 budget year.

Finally, Provost Driscoll and Vice Chancellor Spindle will be following up with instructions regarding the FY10 budget process, based on the PBAC submissions and any new information from the Vice Chancellors, Deans, and Directors.

The budget office will be working with each of you in the coming weeks to finalize your base budgets. In the meantime, if you or any of your staff have any questions regarding the budget allocation process, please feel free to contact the PBAC co-chairs, Provost Mike Driscoll and Vice Chancellor Bill Spindle, or Joan Harings in the Budget Office.

ecc: M. Driscoll  
B. Spindle  
S. Roberts  
J. Harings

**University of Alaska Anchorage  
FY09 Allocations**

Major Budget Unit	FY08 GF Base	FY07 CF	FY08 Projected CF @ 3-31-08	FY09 Increments Requested (Base)	FY09 Increments Requested (One-Time)	FY09 Allocations					
						FY09 Legislative Allocations	Recommended Allocation (Based on Scenario 7)	One-Time Distribution	Salary & Benefits	FY09 Budget Adjustment	Total FY09 Allocations
CAS	10,260,172	484,664	1,964	3,029,200	135,000	626,900	138,200		422,619	(102,602)	1,085,117
CHSW	7,912,281	1,210,831	887,629	1,644,900		1,005,700			266,776	(79,123)	1,193,353
Education	2,423,801	101,326	(179,573)	470,000			100,000	100,000	91,679	(24,238)	267,441
CBPP*	6,002,338	898,540	279,030	514,900	22,200	550,000	100,000	71,200	150,036	(60,023)	811,213
Engineering	2,563,082	226,297	(76,331)	180,000		1,305,000	60,000		54,066	(25,631)	1,393,435
CTC	8,123,912	280,645	176,089	769,300		182,600	75,000		726,701	(81,239)	903,062
Library	4,601,144	4,537	11,976	746,100	1,524,000		100,600		64,181	(46,011)	118,770
Chancellor	987,397	350,640	308,283					35,000	27,493	(9,874)	52,619
Provost	4,007,106	513,460	66,457	286,500	244,300		210,000	230,000	166,403	(40,072)	566,331
Student Affairs	9,275,106	314,280	12,387	160,000			160,000		473,947	(92,751)	541,196
Advancement	1,933,529	330,565	182,174	137,800			137,800		84,316	(19,335)	202,781
Admin Services	22,368,265	1,170,126	779,333	674,700			460,000		948,214	(224,722)	1,183,492
Info. Technology	3,547,867	533,345	200,579	382,000			52,000		110,258	(35,479)	126,779
Other								550,000			550,000
Sub-Total	84,006,000	6,419,256	2,649,997	8,995,400	1,925,500	3,670,200	1,593,600	986,200	3,586,689	(841,100)	8,995,589
KPC	6,810,300	376,024	200,000	675,000		65,000			250,200		315,200
KOC	2,507,800	330,668	183,772	105,000					86,800		86,800
MSC	3,988,500	305,169	120,149	118,900	594,200	80,000			173,000		253,000
PWS	2,831,400	460,704	57,774	303,000					109,100		109,100
Sub-Total	16,138,000	1,472,565	561,695	1,201,900	594,200	145,000	-	-	619,100	-	764,100
<b>GRAND TOTAL</b>	<b>100,144,000</b>	<b>7,891,821</b>	<b>3,211,692</b>	<b>10,197,300</b>	<b>2,519,700</b>	<b>3,815,200</b>	<b>1,593,600</b>	<b>986,200</b>	<b>4,205,789</b>	<b>(841,100)</b>	<b>9,759,689</b>

\*FY09 Legislative Action reflects transfer of SBDC operations from capital to operating (not new funding).

One-Time Distributions:

100,000	Education Supertuition Elimination
230,000	Alaska Native Book, Accreditation and Honors
550,000	Anchorage Bowl Space Requirements
35,000	Campus Diversity & Compliance
71,200	ISER Faculty Position
<u>986,200</u>	