



30th Alaska State Legislature
 House Finance Budget Sub-Committee
 University of Alaska
 FY19 Operating Budget

Chair:

Rep. David Guttenberg
 Capitol Room 501
 465-4457

Members:

Rep. Jonathan Kreiss-Tomkins
 Capitol Room 411
 465-3732

Rep. Gabrielle LeDoux
 Capitol Room 216
 465-4998

Rep. Adam Wool
 Capitol Room 412
 465-4976

Rep. Chris Tuck
 Capitol Room 204
 465-2095

Rep. Gary Knopp
 Capitol Room 424
 465-2693

Rep. Chris Birch
 Capitol Room 112
 465-4931

Rep. Delena Johnson
 Capitol Room 405
 465-4958

Alternate Member:

Rep. Andy Josephson
 Capitol Room 102
 465-4939

Sub-Committee Aide:

Alliana Salanguit
 Capitol Room 501
 465-4457

**FY2019HOUSE FINANCE BUDGET SUBCOMMITTEE NARRATIVE
 REPORT
 February 22, 2018**

SUBCOMMITTEE MEMBERS:

Rep. Guttenberg, Chair	Rep. Birch	Rep. Johnson
Rep. Josephson	Rep. Knopp	Rep. Kreiss-Tomkins
Rep. LeDoux	Rep. Tuck	Rep. Wool
Rep. Josephson (Alternate)		

SUBCOMMITTEE MEETINGS:

The House Finance Budget Subcommittee for the University of Alaska held 6 meetings with the University of Alaska during the review of the FY19 budget request.

RECOMMENDATIONS:

The Chair of the House Finance Budget Subcommittee for the University of Alaska recommends that the House Finance Committee accept the University of Alaska's FY19 Amended Budget as follows:

Fund Source (dollars are in thousands):

Unrestricted General Funds (UGF)	336,033.5
Designated General Funds (DGF)	331,131.2
Other Funds	86,530.4
Federal Funds	143,852.7
Total	897,547.8

The Unrestricted General Fund difference from FY15 Management Plan to the FY19 House Subcommittee Recommended budget is a reduction of \$34.56 million, a decrease of 9.3%.

The Unrestricted General Fund difference from FY18 Management Plan to the FY19 University of Alaska House Finance Subcommittee recommended \$19 million, an increase of 6.0%.

Positions:

Permanent Full-time	3,993
Permanent Part-time	189
Temporary	0
Total	4,182

The following budget amendments are submitted by the subcommittee chair to the House Finance Committee for consideration:

1. **H UOA 1:** Is an increment of \$150,000, but it was included in last year's budget so it is considered flat funding. These funds, in conjunction with the Alaska Mental Health Trust's \$225.0 MHTAAR, are required for the operations of the Alaska Justice Information Center. The AJiC mission is "to compile, analyze, and report on criminal justice topics to policymakers and practitioners in order to improve public safety, increase criminal justice system accountability, and to reduce recidivism." This function is critical as the State tries to implement data-driven policy to address rising crime rates.
2. **H UOA 5:** This amendment originally added \$24.5 million to the UA Budget. It was amended down to \$19 million to help bridge the budget shortfall between the Governor's number and the Board of Regent's request. The Board of Regent's number is believed to be the correct number but during these times, it cannot be provided.

The following statutory recommendation/s is/are also submitted to the House Finance Committee.

1. Amend AS 14.42.033 (a) to read (a) Except as provided under (b) and (c) of this section, as a condition of participating in a medical education program under AS 14.42.033, a program participant shall agree to either return to the state and actively engage in professional medical practice or repay financial support provided by the state on behalf of the program participant. The financial support to be repaid is equal to **the full** [50 percent of the] amount paid for each program participant by the state to the contracting postsecondary institution, plus interest. The rate of interest is equal to the 12th Federal Reserve District discount rate in effect on March 1 of the year in which the financial support is provided plus two percentage points. Interest imposed under this subsection begins to accrue when the person terminates studies under the medical education program. Accrued interest shall be added to the principal balance of the repayment obligation at the time the borrower is obligated to commence repayment and at the end of a deferment period.

ATTACHED REPORTS:

- o UA Multi-year agency totals
- o UA Allocation Summary, FY19
- o UA Multi-year Allocation Summary
- o UA Transaction Detail

Respectfully submitted,



Representative David Guttenberg, Chair
House Finance Budget Subcommittee for the University of Alaska

**2018 Legislature - Operating Budget
Transaction Detail - House Structure
HSub Amends Column**

Numbers and Language

Agency: University of Alaska

	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
University of Alaska												
Budget Reductions/Additions - Systemwide												
H UOA 1 - University of Alaska Increment	Inc	19,000.0	0.0	0.0	0.0	0.0	0.0	0.0	19,000.0	0	0	0
Offered by Representative Guttenberg												
The FY19 Governor's Operating Budget for the University of Alaska is \$317 million, while the FY19 Board of Regent's budget request totals \$341 million.												
This will add \$19 million to partially bridge the budget shortfall.												
1004 Gen Fund (UGF)		19,000.0										
* Allocation Total *		19,000.0	0.0	0.0	0.0	0.0	0.0	0.0	19,000.0	0	0	0
Anchorage Campus												
H UOA 2 - Add funding to maintain operations of the Alaska Justice Information Center (AJiC)	Inc	150.0	0.0	0.0	0.0	0.0	0.0	0.0	150.0	0	0	0
Offered by Representative Guttenberg												
These funds, in conjunction with the Alaska Mental Health Trust's \$225.0 MHTAAR, are required for the operations of the Alaska Justice Information Center whose mission is to "compile, analyze, and report on criminal justice topics to policymakers and practitioners in order to improve public safety, increase criminal justice system accountability, and to reduce recidivism."												
1037 GF/MH (UGF)		150.0										
* Allocation Total *		150.0	0.0	0.0	0.0	0.0	0.0	0.0	150.0	0	0	0
** Appropriation Total **		19,150.0	0.0	0.0	0.0	0.0	0.0	0.0	19,150.0	0	0	0
*** Agency Total ***		19,150.0	0.0	0.0	0.0	0.0	0.0	0.0	19,150.0	0	0	0
**** All Agencies Total ****		19,150.0	0.0	0.0	0.0	0.0	0.0	0.0	19,150.0	0	0	0

**2018 Legislature - Operating Budget
Allocation Summary - House Structure**

Numbers and Language

Agency: University of Alaska

Allocation	[1] 19GovAdj	[2] HSub Rec	[2] - [1] 19GovAdj to HSub Rec	
University of Alaska				
Systemwide Reduction/Addition	-459.2	18,540.8	19,000.0	<-999 %
Statewide Services	33,118.0	33,118.0	0.0	
Office of Info Technology	17,265.1	17,265.1	0.0	
Systemwide Education/Outreach	0.0	0.0	0.0	
Anchorage Campus	266,856.8	267,006.8	150.0	0.1 %
Small Business Development Ctr	3,684.6	3,684.6	0.0	
Kenai Peninsula College	16,440.0	16,440.0	0.0	
Kodiak College	5,839.3	5,839.3	0.0	
Matanuska-Susitna College	13,339.5	13,339.5	0.0	
Prince William Sound College	7,209.1	7,209.1	0.0	
Bristol Bay Campus	4,061.3	4,061.3	0.0	
Chukchi Campus	2,335.4	2,335.4	0.0	
College of Rural & Comm Dev	8,711.2	8,711.2	0.0	
Fairbanks Campus	268,695.8	268,695.8	0.0	
Interior Alaska Campus	5,325.0	5,325.0	0.0	
Kuskokwim Campus	6,162.8	6,162.8	0.0	
Northwest Campus	4,880.7	4,880.7	0.0	
Fairbanks Organized Research	140,341.2	140,341.2	0.0	
UAF Community and Tech College	13,518.7	13,518.7	0.0	
Juneau Campus	42,530.9	42,530.9	0.0	
Ketchikan Campus	5,473.3	5,473.3	0.0	
Sitka Campus	7,655.2	7,655.2	0.0	
UA Foundation	3,934.6	3,934.6	0.0	
Education Trust of Alaska	1,478.5	1,478.5	0.0	
Appropriation Total	878,397.8	897,547.8	19,150.0	2.2 %
Agency Total	878,397.8	897,547.8	19,150.0	2.2 %

**2018 Legislature - Operating Budget
Allocation Summary - House Structure**

Numbers and Language

Agency: University of Alaska

<u>Allocation</u>	<u>[1] 19GovAdj</u>	<u>[2] HSub Rec</u>	<u>[2] - [1] 19GovAdj to HSub Rec</u>	
Funding Summary				
Unrestricted General (UGF)	316,883.5	336,033.5	19,150.0	6.0 %
Designated General (DGF)	331,131.2	331,131.2	0.0	
Other State Funds (Other)	86,530.4	86,530.4	0.0	
Federal Receipts (Fed)	143,852.7	143,852.7	0.0	

Multi-year Allocation Summary - Operating Budget - FY 2019 House Structure

Numbers and Language

Agency: University of Alaska

Allocation	ID=> Session=> Column=>	[1] 2015 15MgtP1n	[2] 2018 18MgtP1n	[3] 2018 19GovAdj	[4] 2018 HSub Rec	[4] - [1] 2018 15MgtP1n to HSub Rec	[4] - [2] 2018 18MgtP1n to HSub Rec	[4] - [3] 2018 19GovAdj to HSub Rec
University of Alaska								
Systemwide Reduction/Addition		0.6	1.0	-459.2	18,540.8	18,540.2 >999 %	18,539.8 >999 %	19,000.0 <-999 %
Statewide Services		38,067.4	38,531.1	33,118.0	33,118.0	-4,949.4 -13.0 %	-5,413.1 -14.0 %	0.0
Office of Info Technology		19,802.8	17,265.1	17,265.1	17,265.1	-2,537.7 -12.8 %	0.0	0.0
Systemwide Education/Outreach		12,191.0	0.0	0.0	0.0	-12,191.0 -100.0 %	0.0	0.0
Anchorage Campus		274,766.4	267,116.8	266,856.8	267,006.8	-7,759.6 -2.8 %	-110.0	150.0 0.1 %
Small Business Development Ctr		3,212.4	3,684.6	3,684.6	3,684.6	472.2 14.7 %	0.0	0.0
Kenai Peninsula College		16,957.2	16,440.0	16,440.0	16,440.0	-517.2 -3.1 %	0.0	0.0
Kodiak College		5,903.1	5,839.3	5,839.3	5,839.3	-63.8 -1.1 %	0.0	0.0
Matanuska-Susitna College		11,443.4	13,339.5	13,339.5	13,339.5	1,896.1 16.6 %	0.0	0.0
Prince William Sound College		7,819.3	7,209.1	7,209.1	7,209.1	-610.2 -7.8 %	0.0	0.0
Bristol Bay Campus		4,157.7	4,061.3	4,061.3	4,061.3	-96.4 -2.3 %	0.0	0.0
Chukchi Campus		2,486.3	2,335.4	2,335.4	2,335.4	-150.9 -6.1 %	0.0	0.0
College of Rural & Comm Dev		11,623.4	8,711.2	8,711.2	8,711.2	-2,912.2 -25.1 %	0.0	0.0
Fairbanks Campus		271,666.3	268,695.8	268,695.8	268,695.8	-2,970.5 -1.1 %	0.0	0.0
Interior Alaska Campus		5,786.2	5,325.0	5,325.0	5,325.0	-461.2 -8.0 %	0.0	0.0
Kuskokwim Campus		6,900.1	6,162.8	6,162.8	6,162.8	-737.3 -10.7 %	0.0	0.0
Northwest Campus		4,648.3	4,880.7	4,880.7	4,880.7	232.4 5.0 %	0.0	0.0
Fairbanks Organized Research		143,923.8	140,341.2	140,341.2	140,341.2	-3,582.6 -2.5 %	0.0	0.0
UAF Community and Tech College		14,457.0	13,518.7	13,518.7	13,518.7	-938.3 -6.5 %	0.0	0.0
Cooperative Extension Service		10,735.8	0.0	0.0	0.0	-10,735.8 -100.0 %	0.0	0.0
Juneau Campus		44,478.3	42,530.9	42,530.9	42,530.9	-1,947.4 -4.4 %	0.0	0.0
Ketchikan Campus		5,580.7	5,473.3	5,473.3	5,473.3	-107.4 -1.9 %	0.0	0.0
Sitka Campus		8,256.2	7,655.2	7,655.2	7,655.2	-601.0 -7.3 %	0.0	0.0
UA Foundation		0.0	0.0	3,934.6	3,934.6	3,934.6 >999 %	3,934.6 >999 %	0.0
Education Trust of Alaska		0.0	0.0	1,478.5	1,478.5	1,478.5 >999 %	1,478.5 >999 %	0.0
Appropriation Total		924,863.7	879,118.0	878,397.8	897,547.8	-27,315.9 -3.0 %	18,429.8 2.1 %	19,150.0 2.2 %
Agency Total		924,863.7	879,118.0	878,397.8	897,547.8	-27,315.9 -3.0 %	18,429.8 2.1 %	19,150.0 2.2 %

Multi-year Allocation Summary - Operating Budget - FY 2019 House Structure

Numbers and Language

Agency: University of Alaska

Allocation	ID=> Session=> Column=>	[1] 2015 15MgtP1n	[2] 2018 18MgtP1n	[3] 2018 19GovAdj	[4] 2018 HSub Rec	2015	[4] - [1] 2018	2018	[4] - [2] 2018	2018	[4] - [3] 2018
						15MgtP1n to HSub Rec		18MgtP1n to HSub Rec		19GovAdj to HSub Rec	
Funding Summary											
Unrestricted General (UGF)		370,599.7	317,033.5	316,883.5	336,033.5	-34,566.2	-9.3 %	19,000.0	6.0 %	19,150.0	6.0 %
Designated General (DGF)		316,693.5	331,591.4	331,131.2	331,131.2	14,437.7	4.6 %	-460.2	-0.1 %	0.0	
Other State Funds (Other)		86,717.8	86,640.4	86,530.4	86,530.4	-187.4	-0.2 %	-110.0	-0.1 %	0.0	
Federal Receipts (Fed)		150,852.7	143,852.7	143,852.7	143,852.7	-7,000.0	-4.6 %	0.0		0.0	

Column Definitions

15MgtPln (FY15 Management Plan) - Authorized level of expenditures at the beginning of FY15 plus position adjustments and transfers (made at an agency's discretion) within appropriations.

18MgtPln (FY18 Management Plan) - Authorized level of expenditures at the beginning of FY18 plus position adjustments and transfers (made at an agency's discretion) within appropriations.

19GovAdj (FY19 Governor w/LFD Adjust) - FY19 Governor's Request with LFD Adjustments for proposed legislation and budget actions that require a supermajority vote.

HSub Rec (House Subcom Recommend) - House Finance Subcommittee Recommendations to the House Finance Committee.