UAS BUDGET 101

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UNIVERSITY of ALASKA SOUTHEAST
GOALS & OVERVIEW

Goals: To provide a foundation for understanding the budget process, review the UAS FY23 budget, & discuss how to improve our UAS budget processes.

Overview:

• Basic Terminology
• Roles and Responsibilities
• Budget Cycle at UAS
• Budget Cycle
• UAS Sources of Revenue, FY23
• UAS Areas of Expenditure, FY23
• Moving Forward—Increasing Transparency
BASIC TERMINOLOGY

• **Fiscal Year:** The year beginning July 1 & ending June 30.
  • FY 23: July 1, 2022-June 30, 2023 (last year)
  • FY 24: July 1, 2023-June 30, 2024 (current year)

• **Operating Budget:** Statutory authorization to spend funds for a specific purpose.

• **Capital Budget:** Multi-year funds that are good for the life of a project; typically used for facility construction, maintenance, or repairs; can be used for specific research or one-time investment.
BASIC TERMINOLOGY

- **Appropriation:** Statutory authorization to spend a specific amount of money for a specific purpose.

- **Allocation:** A subunit of appropriations in appropriation bills.


ROLES & RESPONSIBILITIES

• **Chancellor:**

  • Leads university operations to reach strategic goals based on Board-approved mission statement.

  • Participates in annual budget development process.

  • Participates in periodic financial management reviews.
ROLES & RESPONSIBILITIES

• System Office:

• Coordinates annual budget development process, including managing the following:
  • Budget development guidelines
  • Budget request to the Board of Regents, governor, & legislature
  • Budget advocacy during the legislative process
  • Budget implementation

• Handles corporate fiduciary responsibility including financial reporting to the State of Alaska.
ROLES & RESPONSIBILITIES

• Board of Regents:
  • Preview & discuss operating and capital budget requests for the upcoming fiscal year.
  • Approve budget requests prior to submission to the governor’s office.
  • Accepts state appropriations to the universities and approve budget distribution plans.
  • Review & discuss budget development guidelines.
BUDGET CYCLE

• Who are the Players?
• What is the Timeline?
PLAYERS:

- UAS
- Governor’s Office & Legislature
- UA System Office
- UA Board of Regents (BOR)
**TIMELINE:**

- **April-June:** Legislature Passes Budget Bill, Governor Signs/Vetoes Bill, BOR Accepts Appropriation & Distribution Plans
- **May-August:** Budget Implementation & Budget Planning
- **August/September:** BOR Budget Request Preview/Discussion
- **October/November:** BOR Budget Request Approval & Submission to Governor’s Office
- **December/January:** Governor’s Budget Proposal to Legislature
- **April-June:** Legislature Passes Budget Bill, Governor Signs/Vetoes Bill, BOR Accepts Appropriation & Distribution Plans
REVENUE

• Types of Revenue (terminology)
  • Revenue Types at UAS

• Sources of Revenue (terminology)
  • Revenue Sources at UAS
REVENUE TYPES

Unrestricted Funds
- No statutory designations or restrictions imposed
- For use during the current fiscal year

Auxiliary
- Enterprise or self-supporting units that offer services

Designated
- Unrestricted funds that have internal restrictions

Match
- University’s committed share in support of a specific grant

Agency
- Owned by others but held by university as custodian/fiscal agent

Restricted
- Funds received from outside agency for a specific purpose
Unrestricted Funds
$34.71
81.0%

Match Funds;
$0.05
0.1%

Designated Funds;
$0.20
0.5%

Restricted Funds;
$5.06
11.8%

Auxiliary Funds
$2.83
6.6%

*Revenue shown is in millions of dollars
REVENUE SOURCES

Unrestricted Funds:
- Unrestricted general funds
- Tuition & fees
- Interest income
- Indirect cost recovery
- Auxiliary receipts
- UA receipts
- State inter-agency receipts
- Mental Health Trust Funds
- Technical Vocational Education Program (TVEP)
- UA Intra-agency receipts

Restricted Funds:
- Grant funds
- Federal funds
- UA receipts
<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted General Funds (UGF)</td>
<td>$22.22</td>
<td>51.9%</td>
</tr>
<tr>
<td>Student Tuition and Fees (net)</td>
<td>$9.47</td>
<td>22.1%</td>
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<tr>
<td>UA Intra-Agency Receipts</td>
<td>$0.68</td>
<td>1.6%</td>
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<tr>
<td>Other Restricted</td>
<td>$1.91</td>
<td>4.4%</td>
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<tr>
<td>Indirect Cost Recovery</td>
<td>$0.57</td>
<td>1.3%</td>
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<tr>
<td>Other Unrestricted</td>
<td>$4.64</td>
<td>10.8%</td>
</tr>
<tr>
<td>Federal Receipts</td>
<td>$3.36</td>
<td>7.8%</td>
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</tbody>
</table>

*Revenue shown is in millions of dollars
EXPENDITURES

• State Expenditure Types (terminology)
  • State Expenditure Types at UAS

• NCHEMS* Expenditure Types (terminology)
  • NCHEMS Expenditure Types at UAS

*NCHEMS: National Center for Higher Education Systems
STATE EXPENDITURE TYPES

- Personal Services
- Travel
- Contractual Services
- Commodities
- Capital Outlay
- Grants/Benefits (student aid)
- Miscellaneous (debt service)
FY 23 UAS STATE EXPENDITURE TYPES*

- **Salaries & Benefits**: $28.59, 68.9%
- **Miscellaneous**: $0.82, 2.0%
- **Student Aid**: $0.96, 2.3%
- **Land/Buildings**: $0.85, 2.0%
- **Capital Outlay**: $0.61, 1.5%
- **Commodities**: $2.04, 4.9%
- **Contractual Services**: $6.96, 16.8%
- **Travel**: $0.70, 1.7%
- **Student Aid**: $0.96, 2.3%
- **Miscellaneous**: $0.82, 2.0%

*Expenditures shown in millions of dollars
NCHEMS EXPENDITURE TYPES

• Academic Programs & Student Services
  • Academic Support
  • Instruction
  • Intercollegiate Athletics
  • Library Services
  • Scholarships
  • Student Services
• Research
• Public Service
• Auxiliary Services
• Institutional Support
• Physical Plant
Moving Forward--Increasing Transparency

- Give yearly budget presentations
- Make budget information more accessible year-round
- Design a more transparent budget request process for UAS
- Provide periodic updates on the budget process