

University of Alaska

Budget 101

(Sept. 2023)

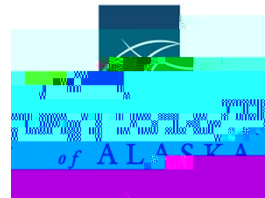
Prepared by: UA System Office of Strategy, Planning and Budget



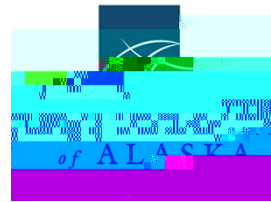
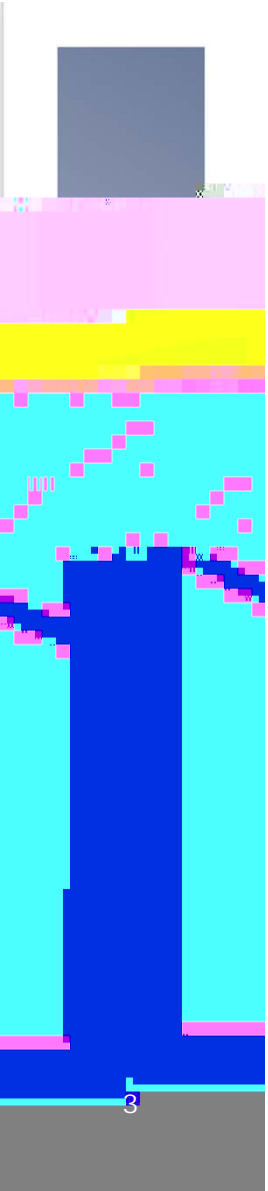


Overview

- “ Roles & Responsibilities
- “ Budget Cycle
- “ Basic Terminology
- “ Revenue
- “ Expenditure
- “ Published Information



Roles & Responsibilities



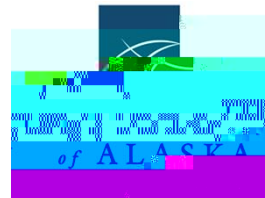
State Roles & Responsibilities

State University

- “ The University of Alaska is hereby established as the state university and constituted a body corporate. It shall have title to all real and personal property now or hereafter set aside for or conveyed to it. Its property shall be administered and disposed of according to law. (Article VII Section 2)

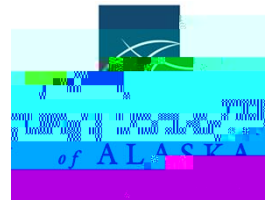
Governor

- “ UA regents are appointed by the governor, subject to Legislative confirmation (Article III Section 26).
- “ Office of Management and Budget (OMB) serves as the governor’s budget office.
 - “ Reviews budget requests from UA and proposes annual operating and capital budgets to the Legislature.
 - “ Monitors funds spent in relation to budgets.
- “ Legislature sends bill to the Governor

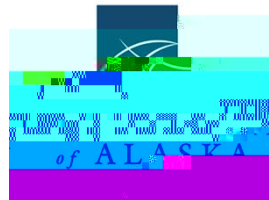
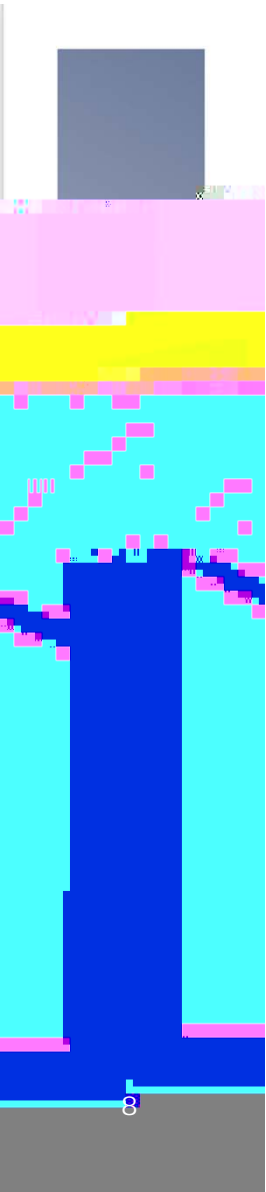


UA System Offices

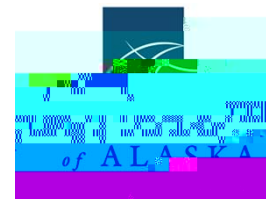
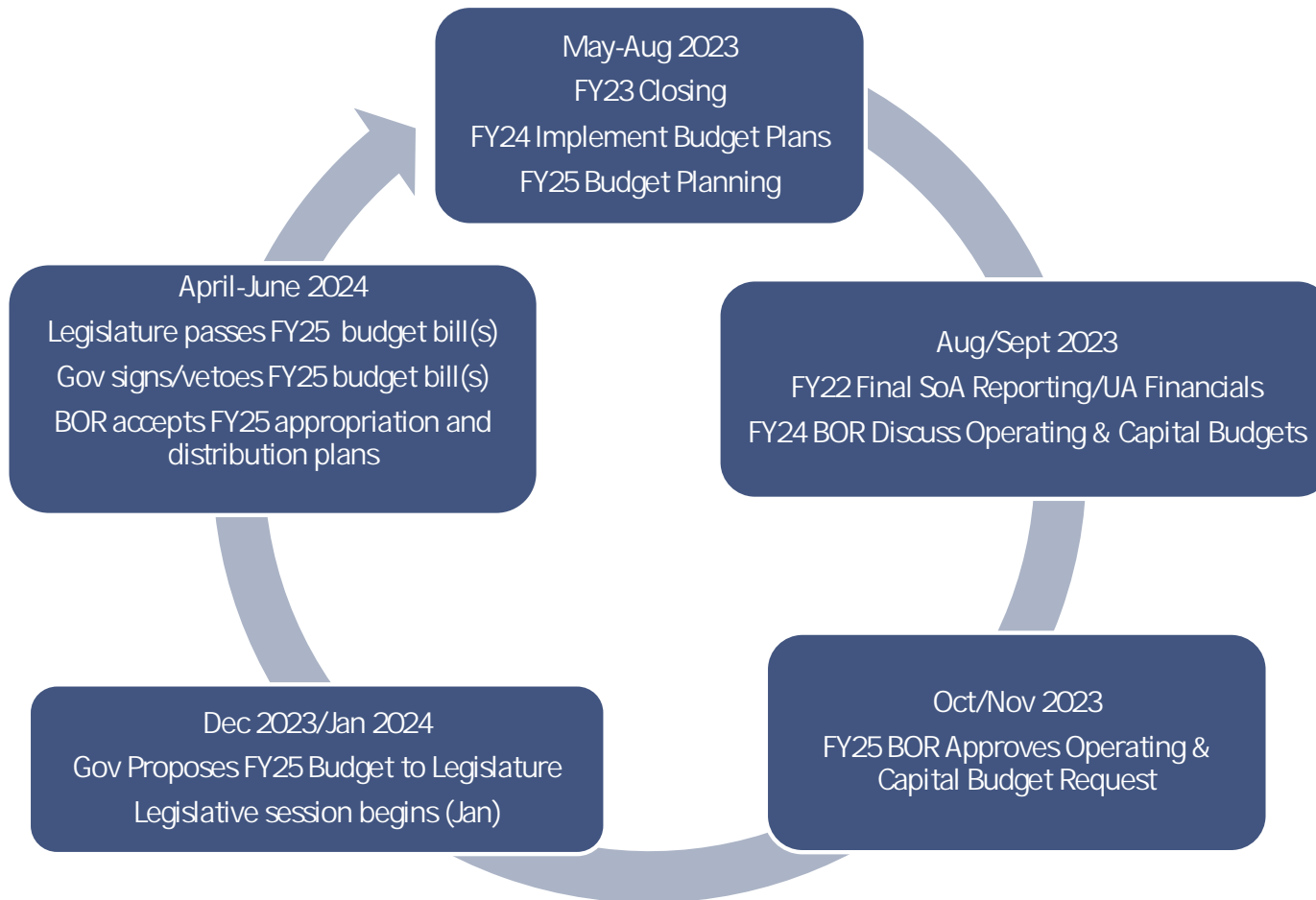
UA Office of Strategy, Planning and Budget https://www.alaska.edu/svbudget/budget_planning/



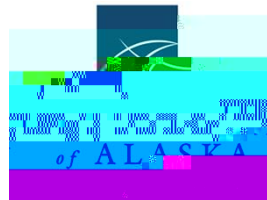
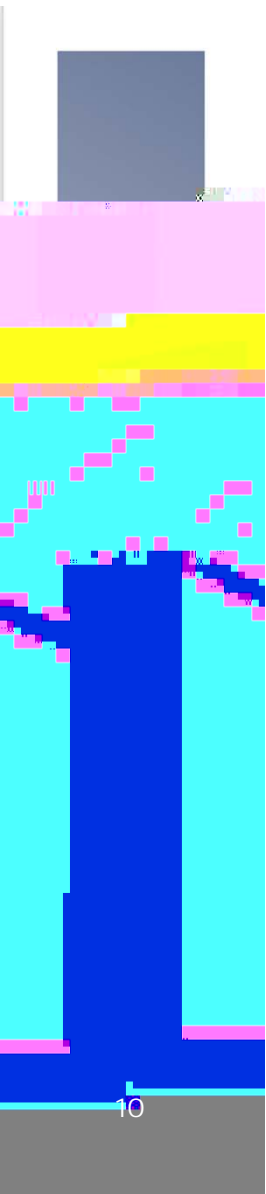
Budget Cycle



Budget Cycle



Basic Terminology



Key Budget Terminology

Fiscal Year

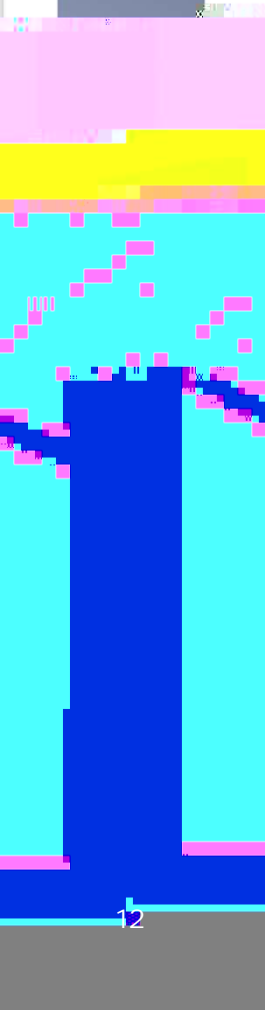
UA & State of Alaska operate on a fiscal year that runs from July 1 to June 30

Operating Budget

An operating appropriation is a statutory authorization to spend



UA Financial Data



State Budget System (SBS) Codes

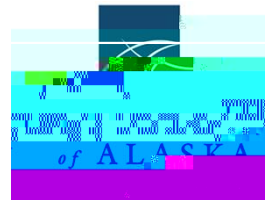
For reporting purposes, the State of Alaska accounting system uses SBS codes to group transactions. Revenues are based on state fund code definitions. Expenses are based on the natural classification structure.

Revenue (Fund Codes)

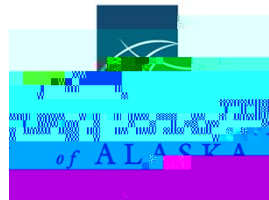
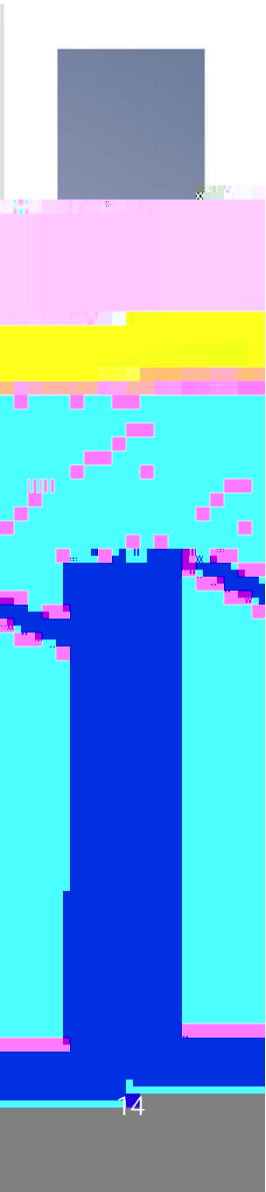
- " 1002 Federal Receipts
- " 1003 General Fund Match
- " 1004 State General Fund
- " 1007 State Inter-agency Receipts
- " 1037 General Fund
- "
- "

Expense

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



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)

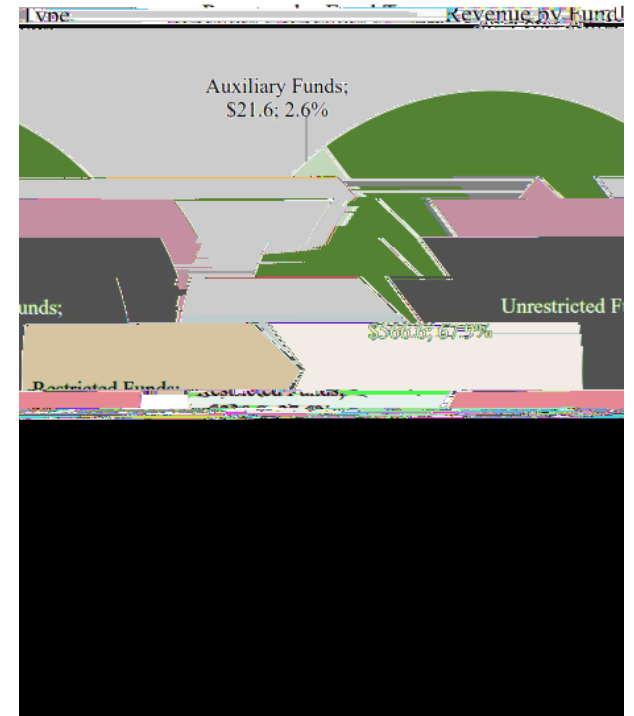
- “ Unrestricted current funds that have an internal restriction.

Match (fund type 14)

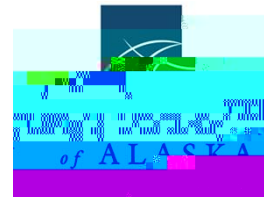
- “ A hybrid fund type between unrestricted and restricted; while they are an integral part of restricted program management, the funding for them derives from unrestricted sources.

Restricted (fund type 20)

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



FY21 Revenue by Fund Type (in millions of \$)



Revenue Sources

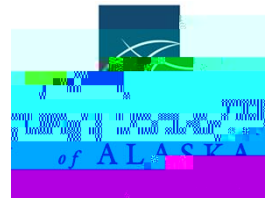
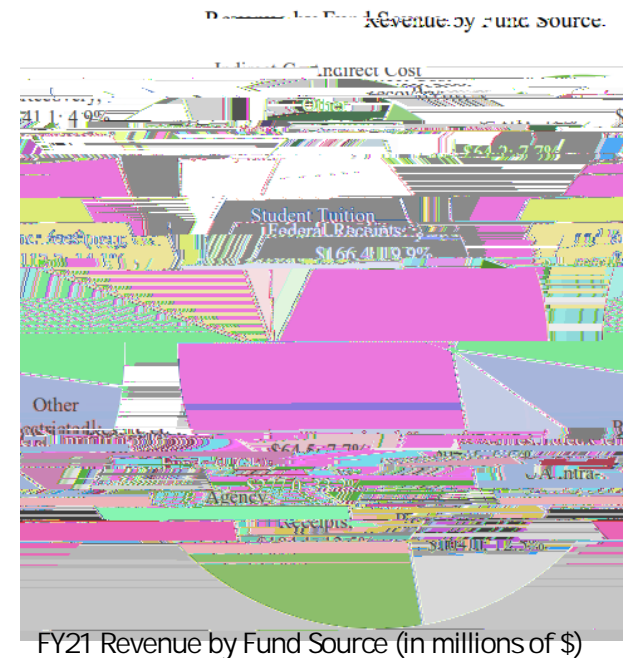
State fund groups (Unrestricted General Funds, Designated General Funds, Federal Funds, and Other Funds) are used to summarize budget activity and indicate the level of discretion over the use of the funding.

Unrestricted (available for use in the current fiscal year)

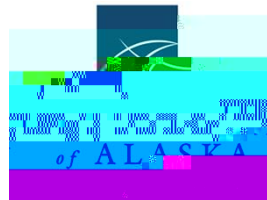
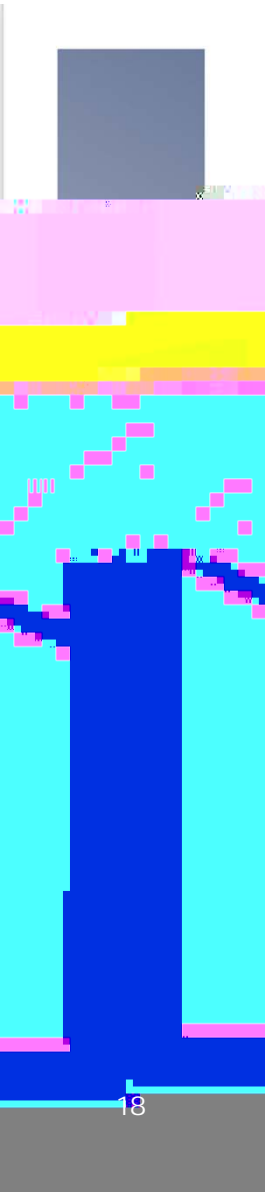
- “ Unrestricted General Funds (UGF)
- “ Tuition & Fees (DGF)
- “ Interest Income (DGF)
- “ Indirect Cost Recovery (DGF)
- “ Auxiliary Receipts (DGF)
- “ UA Receipts (DGF)
- “ State Inter-agency Receipts (other)
- “ Mental Health Trust Funds (UGF or other)
- “ Technical Vocational Education Program (TVEP)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

Restricted (limited to a specific purpose or project)

- “ Grant Funds (received from an outside agency)
 - “ Federal Funds (Fed)
 - “ UA Receipts (DGF)



Expenditure



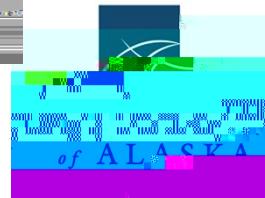
State Expenditure Types

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

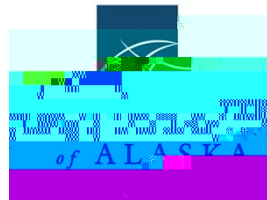
- “ Personal Services
- “ Travel
- “ Contractual Services
- “ Commodities
- “ Capital Outlay
- “ Grants/Benefits (student aid)
- “ Miscellaneous (debt service)



FY21 Expenditure by Natural Classification (in millions of \$)



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 introduction by the President and including additional supplemental information and context.

Authorized Operating & Capital Budgets (aka Yellowbook)

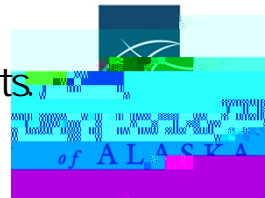
This publication presents the UA's actual and budget information in accordance with the State of Alaska reporting requirements. This report includes revenue by funding source and expenditures by NCHEMS and the natural classification (state categories).

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/>

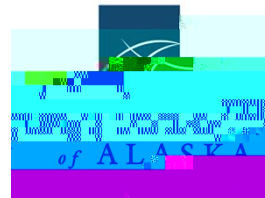
“ **Audited Financial Statements**

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 agen ss

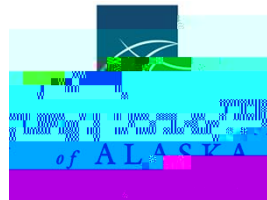
Á



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)

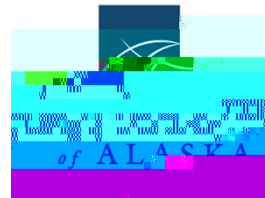
<http://www.legfin.akleg.gov/index.php>

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 aide 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.akleg.gov/Other/BudgetHandbook20.pdf>

Office of Management & Budget (OMB)

<https://omb.alaska.gov/>

Ensure the investment of state resources produce results that advances the Governor's priorities. OMB prepares the annual capital and operating budget and provides a



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 (formerly Sightlines) 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.

