University of Alaska Southeast

FY16 Budget for Students

Why are we here?

“Student learning enhanced by faculty scholarship, undergraduate research and creative activities community engagement, and the cultures and environment of Southeast Alaska.”
State Unrestricted General Funds

- Oil revenue, $8,200,000,000
- Other taxes, fees, rents & royalties, $536,000,000
- Investments, $177,000,000

World Oil Prices Last Year

"The revenue forecast is based on a revised oil price forecast of $106.61 per barrel versus $105.68 for FY 2014... Forecast oil prices remain above $105 per barrel throughout our forecast period to 2022."

(AK Dept of Revenue, Revenue Sources Book)
"The state requires high oil prices (~$100 / barrel) and/or stable or increasing production, in order to maintain stable or increasing state revenue."

(AK Dept of Revenue, Revenue Sources Book)
Learn, Engage, Change

OMB Reserves Projection at $50 Oil

Alaska State Government
Non-Formula Agency Funding

UA is the 2nd largest non-formula funded state agency
Proposed Budget Reductions

• Governor: $9.3 million
• House: $25 million
• Senate: In progress
  – Senate Finance Committee passed a $20 million reduction yesterday

**Student advocacy has helped!**
Projected Impact to UAS

- Adding fixed costs, the projected funding gap for UAS is **$2.3M**.
- This includes a proposed 5% tuition increase ($8/CR for lower division).

If UAS maintains current staffing levels...

With modest credit-hour growth and additional 5% tuition increases, the gap grows to:
- $4.5M in FY17
- $6.5M in FY18

Revenue Sources - UAS

To make up -1% in reduced GF, UAS would need:

- a 2.3% increase in tuition,
- or a 5% increase in federal receipts.
What does this mean for UAS?

• We need to become smaller and more efficient.

• We intend to remain the best at what we do:
  – personal, high-quality, student learning focused, aligned to the environment and culture of Alaska.

What are we doing now?

• Continuing academic program reviews
• Conducting non-academic reviews
• Consolidating our facilities
• Building for efficiency
• Seeking enhanced or new sources of funding
• Planning for reductions
• Seeking input: [http://uas.alaska.edu/pub/budgetideas](http://uas.alaska.edu/pub/budgetideas)
Discussion