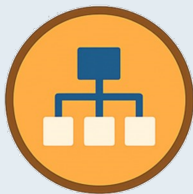


## Part Two—Budget Allocation and Distribution

How UAF allocates and monitors its budget after state funding is finalized

### State funding distribution and reallocations

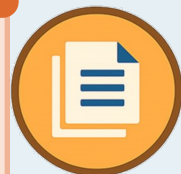


After the state budget is finalized, the UA President determines funding distributions and communicates it to the universities. UAF leadership then establishes internal reallocation levels needed to cover unfunded fixed costs and strategic initiatives. This is communicated to the Provost, vice chancellors, deans, directors and fiscal offices for early planning, though final amounts depend on the final state appropriation and system-level allocations.

The Chancellor may choose to exempt certain units to avoid compounding financial strain. Once the reallocation amount is determined, vice chancellors have the discretion to determine how reallocations are distributed across their respective units, based on operational needs and priorities. Investments may also be made in areas of strategic priority by the Vice Chancellor, Provost or Chancellor, and allocated accordingly to the managing unit.

### OFA continuation budget and revenue planning

UAF's central Office of Finance and Accounting (OFA) distributes budget development materials and the continuation budget annually, which allocates unrestricted budget authority to units across the university. While state general fund revenue authority must match the amounts set by OFA, all other revenue and expenditure authority levels are projected at the dean/director level based on historical activity, anticipated enrollment or research efforts, and upcoming commitments.



### Department budgets and final campus submission



Financial managers/executive officers build departmental budgets and submit them to OFA, which reviews and ensures alignment at the department, unit, and fund levels. Once all budgets are balanced and validated, UAF submits the final campus budget to the UA System Office. These finalized numbers form the university's official base budget for the fiscal year.

### Budget monitoring

The budget is monitored throughout the fiscal year by OFA and the Vice Chancellor for Administrative Services through a series of standard management reports. All Vice Chancellors, Deans and Directors have budget responsibility for maintaining a positive fund balance and for expenditures not to exceed revenues, annually. Any deviation from that framework must be reported, approved, and worked actively in collaboration with the appropriate Vice Chancellor and VCAS to ensure recovery.



### UFB Expectation

A reasonable amount of annual unrestricted fund balance (UFB) is prudent and expected. Each unit will strive for a UFB range equivalent to 2-4% of total unrestricted revenues not including UA Intra-Agency Receipts. Units must inform their respective Provost/Vice Chancellor and Associate Vice Chancellor for Financial Services of any projected deficits as soon as they are identified.

