

Section 1. Revenue & Expenditure Trends

A. Six-year trend and one-year changes in revenue by source, fund and campus including significant trends, one-year changes, and projections.

Appendix 1.A.1 - Total Revenue by Source with General Fund Detail FY18-FY23

Appendix 1.A.2 - Total Revenue by Fund Type and Source FY18-FY23

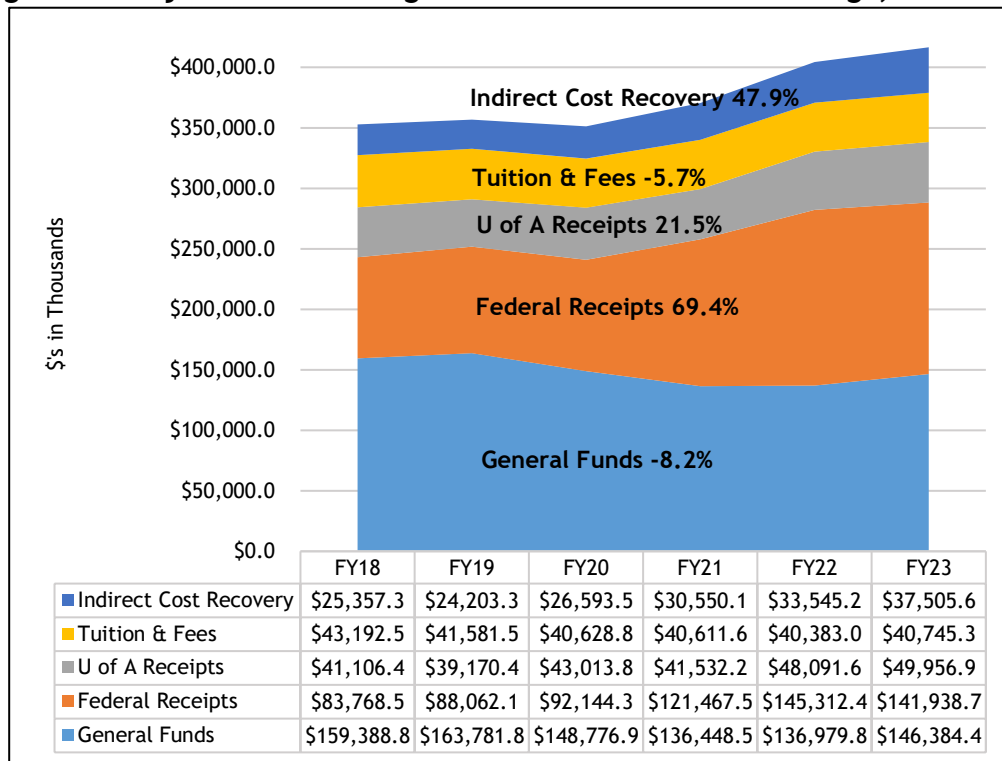
Appendix 1.A.3 - Non General Fund (NGF) Revenue by Fund Type and Source FY18-FY23

Appendix 1.B.1 - Total Revenue by Vice Chancellor and Unit FY18-FY23

MAJOR REVENUE CATEGORIES

The primary revenue categories for UAF are 1) state general funds, 2) federal receipts, 3) UA receipts, 4) tuition and fees, and 5) indirect cost recovery (ICR). The chart illustrates the six-year changes in each revenue category and the subsequent section provides further analysis on each revenue stream.

Figure 1.1 Major Revenue Categories with 6 Year Percent Change, FY18-FY23



STATE GENERAL FUNDS

Historically, UAF's primary revenue source has been state general fund appropriations. Over years of reductions, the percentage of state general funds as part of UAF's total budget has gradually declined. In FY18, general fund made up 38 percent of total UAF revenue; in FY23, it made up roughly 28 percent.

In FY23, state general funds amounted to approximately \$146 million, comprising state appropriations (\$142 million), matching funds (\$4.7 million), state Mental Health Trust (\$50 thousand), and state-funded capital research items (roughly \$2 thousand). Refer to Appendix 1.A.1.

From FY18 to FY23, UAF lost \$13.0 million from general fund. However, general fund increased by \$9.4 million from FY22 to FY23. The FY23 state general fund budget marks the first operating budget increase since prior to FY20 and is indicative of an optimistic and positive budget outlook.

State of Alaska Economic Development Funds

In FY23, the Governor’s budget included one-time funding for economic development areas that have a connection to the state economy with high potential for growth. While these are part of UAF’s state general fund allocation, they are one-time in nature and targeted to specific projects in the following areas: critical minerals and rare earth elements, unmanned aerial vehicle systems (Drone program), mariculture, and heavy oil and gas recovery.

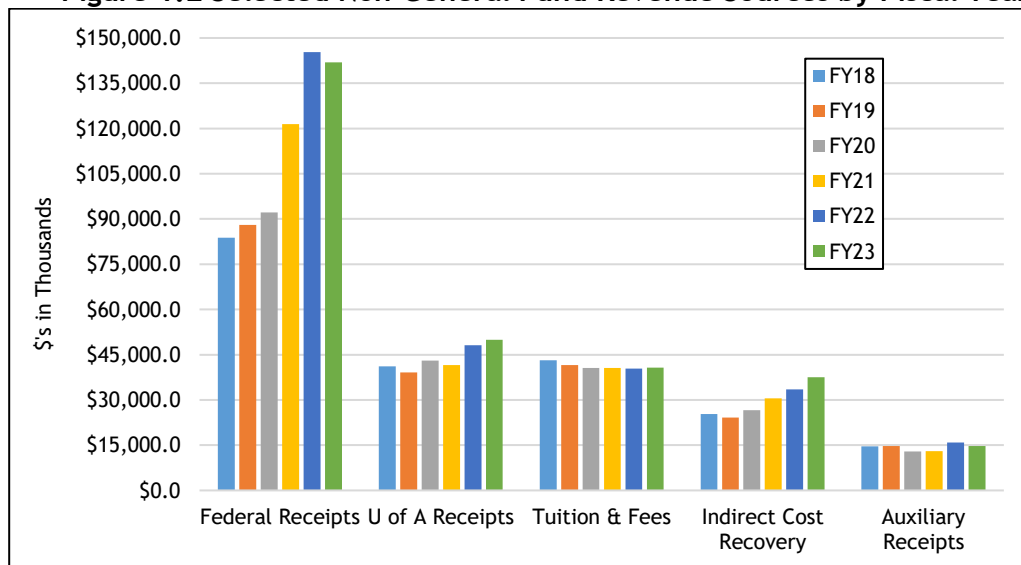
Other State Funded Capital Research

The State of Alaska funded capital research projects in support of Alaska’s needs and historically have included GI unmanned aerial systems (ACUASI)/Poker Flat, and Alaska Center for Energy & Power (ACEP). In FY23, College of Fisheries and Ocean Sciences (CFOS) ocean acidification is the only active project in this category. These types of projects are expended as restricted funds.

UAF SELECTED NON-GENERAL FUND REVENUE SOURCES

The most significant non-general fund receipts consist of federal receipts, UA receipts, tuition and fees, ICR, and auxiliary receipts. These sources are discussed in more detail below.

Figure 1.2 Selected Non-General Fund Revenue Sources by Fiscal Year



FEDERAL RECEIPTS

Federal revenue accounted for 27 percent or \$142 million of total UAF operating revenue in FY23; this is a decrease of 2.3 percent from FY22 levels. The total amount includes roughly \$4 million of COVID relief funding.

When excluding COVID funding in FY22 or FY23, federal revenue increased by 2 percent (or nearly \$3 million) from FY22 to FY23 (\$135.4 million to \$138.0 million).

When excluding COVID funds from FY22 to FY23, the increase in federal receipts is primarily due to increased sponsored award activity with the R/V Sikuliaq under the College of Fisheries and Ocean Sciences (CFOS). Sikuliaq sponsored activity increased approximately \$4.3 million since FY22.

Figure 1.3 COVID-19 Recovery & Support Funds by Revenue Source, FY23 (\$ thousands)

Revenue Source	FY23
Federal Receipts	\$3,923.2
UA Intra-Agency Transfers	\$24.4
U of A Receipts	\$117.9
State Inter-Agency Receipts	\$270.5
Grand Total	\$4,336.1

In FY23, UAF received \$4.3 million in COVID recovery and other grant support funding. Of the total, \$3.9 million (90.4 percent) comes from Federal Receipts. UAF does not expect additional COVID relief funding in FY24.

UNIVERSITY RECEIPTS

University receipts constitute approximately 10 percent of total UAF revenue and include both restricted and unrestricted revenues received from corporate and private sources, local governments (city and borough), as well as revenues received from publication sales, athletic ticket sales, museum admissions, recreational facility use fees, space and real estate rental fees, ship use fees (R/V Sikuliaq), course use fees, and other miscellaneous sources.

University receipts increased \$1.9 million (3.9 percent) from FY22 to FY23. This increase is primarily attributed to increased grant and contract activity in VCR from private sources, including corporations, other universities, and non-profits; notably at the Institute of Arctic Biology (IAB), Alaska Center for Energy and Power (ACEP), International Arctic Research Center (IARC), and Geophysical Institute (GI).

STUDENT TUITION & FEES

Enrollment heavily influences tuition and fee revenue. In FY23, tuition and fees make up 7.8 percent of UAF's total revenue. Total tuition and fee revenue for FY23 is \$40.7 million and increased slightly by 0.9 percent from FY22 levels. Fee revenue increased by roughly \$96 thousand and net tuition revenue increased by \$266 thousand.

The lower division tuition rate was increased by 11 percent as a part of UAF's plan to merge lower division and upper division tuition rates into a single undergraduate rate. Additional tuition and fee analysis for FY23 is included in Section 2.

Figure 1.4 Tuition and Fee Revenue, FY23 (\$ thousands)

FY23 Tuition & Fees	Revenue
Fees	\$10,332.2
Tuition	
Lower Division Tuition	\$19,128.9
Upper Division Tuition	\$8,542.0
Grad/Credit Hr Tuition	\$6,367.5
Non Resident Surcharge	\$3,332.1
Undergrad Consolidated Tuition	\$0.5
Tuition Mitigation	(\$2.2)
Tuition Discounts - Contra Revenue	(\$619.9)
Tuition Allowance - Contra Revenue	(\$6,335.8)
Tuition Total	\$30,413.1
Grand Total	\$40,745.3

Figure 1.4 note: Activity in the contra tuition accounts is mostly Pell Grant (Tuition Allowance). Tuition discounts are listed separately (e.g. take 12 credits but pay for 10). Other than Pell Grants and tuition deals, this report does not consider scholarships, assistantships, or other tuition waivers.

FACILITIES & ADMINISTRATIVE (F&A) COSTS

Facilities and administrative (F&A) costs include support services related to sponsored activities provided by the institution. Many of these costs cannot be directly charged to sponsored awards and are therefore recovered in part via an indirect cost recovery (ICR) rate as revenue. The facilities “F” portion of the rate is uncapped and the administrative “A” portion of the rate is capped at 26 percent.

Figure 1.5 shows total F&A costs expended by all units from FY18 through FY23. This represents the total F&A charged via sponsored award/grant billings to support facilities and administration costs across UAF. F&A does not appear on the revenue line in a unit budget; however, once it is recovered as ICR, funds can be expended similar to any other unrestricted revenue source.

From FY22 to FY23, F&A charges increased by 12.2 percent (nearly \$4.6 million).

The use of new, and in many cases, higher, F&A rates began in FY19 and are extended through June 30, 2026 (FY26). For example, UAF’s organized research rate increased from 50.5 percent to 55.0 percent. The effects of higher F&A rates as well as UAF’s continued focus to grow its research enterprise are demonstrated in higher F&A charges since FY21.

Figure 1.5 Total F&A Charged to Support Administration, by Unit

F&A Expenditures by Department	FY18	FY19	FY20	FY21	FY22	FY23	FY22-23 % Change
UAF Geophysical Institute	10,616,674	10,427,063	11,830,851	14,802,162	16,073,902	18,461,800	14.9%
UAF Institute of Arctic Biology	3,991,685	3,726,727	4,401,560	4,293,171	4,391,521	5,011,815	14.1%
UAF College of Fish & Ocean Science	4,951,038	4,332,772	4,421,534	5,144,572	5,039,846	4,921,004	-2.4%
UAF Intl Arctic Research Center	1,943,835	2,020,624	2,165,641	2,411,321	3,222,521	3,586,994	11.3%
UAF College of Engineering & Mines	2,162,853	2,396,511	2,186,043	2,376,343	2,423,000	2,862,155	18.1%
UAF AK Center for Energy & Power	648,130	759,334	1,493,190	1,625,894	1,765,747	2,024,687	14.7%
UAF VCR Development Programs & Proj	345,308	382,050	836,290	840,450	1,020,557	1,020,292	0.0%
UAF Facilities Services					779,465	870,777	-
UAF College of Nat Science & Math	1,304,977	1,280,378	1,030,130	1,143,353	738,286	701,879	-4.9%
UAF VC Rural, Community & Native Ed	659,376	481,456	424,568	446,023	663,470	545,881	-17.7%
UAF Institute of Agr Nat Res & Ext	600,724	400,283	357,329	341,893	365,675	518,020	41.7%
UAF School of Education	211,600	108,334	86,685	122,768	194,938	515,832	164.6%
UAF Alaska Sea Grant and MAP	366,570	367,582	255,494	277,334	338,625	398,435	17.7%
UAF Vice Chancellor for Research	(0)	35,378	86,196	117,186	101,325	343,107	238.6%
Other Subtotal	606,191	430,127	308,261	391,100	397,199	323,044	-18.7%
Grand Total	28,408,962	27,148,617	29,883,772	34,333,569	37,516,077	42,105,723	12.2%

INDIRECT COST RECOVERY (ICR) REVENUE

ICR revenues are generated primarily from federal research (restricted) awards and are used to reimburse administrative and support costs as noted above. ICR revenue is distributed internally at 60 percent for research reinvestment and 40 percent for research support. Within the research reinvestment portion, 50 percent is returned to the unit/department that generates the revenue. A portion of the revenues generated by UAF is distributed to the UA System Office (12.0 percent or roughly \$5.0 million in FY23). The remaining ICR revenue retained by UAF in FY23 is \$37.5 million. UAF’s distribution model is shown in Figure 1.6.

Figure 1.6 Indirect Cost Recovery Distribution

Indirect Cost Recovery - Revenue Distribution Summary	
Account Code 9810 - Research Investment Components	Percent Distribution
Generating Unit	50.0%
New Buildings (debt)	7.5%
OSP & CRS Match	1.5%
Undergrad/Student Research	1.0%
Grand Total 9810	60.0%
Account Code 9811 - Support Units	Percent Distribution
Facilities (including M&R/Utilities/Operations)	12.5%
VCAS Units	11.3%
Library	4.2%
Subtotal Support Units	28.0%
UA Statewide Administration	12.0%
Grand Total 9811	40.0%
Grand Total	100.0%

ICR Generation by Unit

As shown in Figure 1.7, the highest ICR generators at UAF in FY23 were GI, IAB, CFOS, IARC, CEM/INE, and ACEP. Collectively, these units generated more than 86 percent of UAF’s ICR in FY23.

Figure 1.7 Indirect Cost Recovery (ICR) Revenue by Unit - 60% for Research Reinvestment

Indirect Cost Recovery (ICR) Revenue by Department (9810)	FY18	FY19	FY20	FY21	FY22	FY23
UAF Geophysical Institute	5,327,139	5,235,661	5,951,184	7,426,839	8,054,758	9,172,326
UAF Institute of Arctic Biology	2,483,895	2,346,904	2,678,762	2,575,300	2,716,140	3,055,019
UAF College of Fish & Ocean Science	2,452,934	2,142,846	2,199,453	2,585,839	2,529,412	2,421,639
UAF Intl Arctic Research Center	1,083,155	1,135,082	1,130,401	1,255,620	1,681,167	1,916,404
UAF College of Engineering & Mines	1,347,848	1,455,348	952,529	1,115,444	1,217,366	1,399,405
UAF AK Center for Energy & Power	33,033	100,952	761,777	799,962	876,197	1,017,721
UAF Facilities Services	1,035	(56)	(1,035)		779,869	870,777
UAF VCR Development Programs & Proj	172,065	164,265	348,245	359,865	440,853	456,272
UAF College of Nat Science & Math	653,555	622,542	483,224	557,215	331,701	322,439
UAF VC Rural, Community & Native Ed	342,911	252,382	197,148	219,808	321,009	266,634
UAF School of Education	102,085	55,183	49,097	63,747	97,925	257,943
UAF Institute of Agr Nat Res & Ext	296,338	196,183	176,232	174,915	184,038	249,756
UAF Vice Chancellor for Research	24,413	30,181	87,482	166,821	95,723	219,944
UAF Alaska Sea Grant and MAP	196,639	182,852	132,053	138,716	169,544	199,222
UA Museum of the North	105,922	69,476	81,656	118,753	112,518	97,558
UAF College of Business & Security	18,880	27,598	5,928	8,501	25,382	20,993
UAF College of Liberal Arts	116,483	57,376	35,598	20,802	33,260	18,420
UAF Provost Office Operations	10,413	8,904	96,079	70,308	10,111	17,635
Other	39,357	51,842	13,954	21,605	8,686	7,637
Grand Total	14,808,100	14,135,521	15,379,767	17,680,060	19,685,658	21,987,744

Distribution of ICR to support units is identified in account code 9811 - indirect cost recovery revenue for support functions. In general, these revenues are distributed as detailed in Figure 1.8. This table excludes the revenue distributed to the UA system office.

Figure 1.8 ICR Revenue for Support Functions - 40% for Research Support

Indirect Cost Recovery (ICR) for Support Functions (9811)	FY18	FY19	FY20	FY21	FY22	FY23
UAF Central Managed	3,744,837	3,503,564	4,007,431	4,590,387	4,911,180	5,651,282
UAF Facilities Services	3,251,856	3,114,758	3,527,631	4,096,008	4,363,481	4,906,667
UAF Rasmuson Library	1,145,940	1,095,529	1,201,770	1,394,749	1,492,091	1,495,149
UAF Financial Services	1,038,200	1,042,889	1,071,128	1,222,487	1,218,523	1,424,476
UAF Vice Chancellor for Research	405,332	388,767	434,767	428,385	539,596	604,416
UAF VCAS Operations		5,062	175,055	175,934	465,229	402,159
UAF Safety Services	301,900	301,900	301,900	393,900	229,800	329,800
UAF Geophysical Institute	176,877	159,355	142,877	157,335	162,557	199,521
UAF Provost Office Operations	250,076	241,107	278,199	275,679	234,889	188,612
UAF College of Fish & Ocean Science		0	1,129	15,531	76,305	70,580
UAF College of Liberal Arts				6,911	28,427	53,587
UAF College of Engineering & Mines			936	8,057	26,218	47,950
UAF College of Nat Science & Math	559	566	1,343	2,441	5,256	31,588
UA Museum of the North				3,071		15,987
UAF Institute of Arctic Biology			19,764	25,862	18,234	11,791
Other ¹	148,200	148,258	0	8,030	4,236	0
Grand Total	10,463,777	10,001,755	11,163,932	12,804,769	13,776,022	15,433,565

¹The “Other” category includes Procurement & Contract Services before it was moved from UAF to the UA system office in FY20. After FY20, it includes several units that receive small amounts of ICR for support functions.

UA INTRA-AGENCY TRANSFERS

UA Intra-Agency transfers include all internal charges for services provided by central or service departments to other university departments. This includes services such as physical plant work orders, computer repairs, and certain administrative functions such as risk management and labor relations.

The majority of total UA Intra-Agency transfer activity (79 percent) is recorded on recharge funds.

AUXILIARY RECEIPTS

Refer to Section 3 for discussion about auxiliary receipt revenue.

B. Six-year trend and one-year changes in general fund/state appropriation-authorized budget and actuals by allocation with explanation of the changes in actuals and the differences between authorized budget and actuals.

Appendix 1.C.1 - Revenue by Allocation (Campus) FY18-FY23

Appendix 1.C.2 - Revenue by Allocation (Campus Detail) FY18-FY23

UAF LEGISLATIVE INCREMENTAL FUNDING HISTORY

Figure 1.9 reflects the general fund increments provided to UAF by the Legislature from FY20-24. The UA System Operating Budget (AKA: Yellowbooks) for each respective year are sources for information shown in Figure 1.9.

Figure 1.9 UAF Legislative & Internal Reallocation Funding History - General Fund (GF)

	FY20	FY21	FY22	FY23	FY24
Prior Year ABS Authorized Operating Budget	163,445.0	148,880.4	136,429.4	136,997.8	143,231.8
Personal Services					
Salary & Benefits (FY23 1% retroactive increase/supplemental)					3,215.2
Salary & Benefits (FY24 2.75% increase, including health benefit increase)				1,989.0	6,197.0
Non-Personal Services Fixed Costs					
Facilities Maintenance & Repair (M&R)				615.0	
Insurance				1,130.00	
Subtotal	-	-	-	3,734.0	9,412.2
High Priority Programs					
Strategic Investments and UA/UAF Internal Reallocations					
Research - Faculty Retention/Recruitment & One Health	650.0				
Student Success - marketing	300.0				
Workforce Development - Educators Rising	825.0				
Strategic investments	(2,498.8)				
HR Redesign	(1,346.3)				
Legislative Adjustments (unallocated reductions) ⁽¹⁾	(12,494.5)	(12,275.0)	(2,115.6)		
Other Base Funding					
UAF ACEP				2,000.0	
UAF Teacher Education				500.0	
Other Funding					
Transfers ⁽²⁾		200.0	2,684.0		248.0
Changes		(376.0)			
Subtotal	(14,564.6)	(12,451.0)	568.4	2,500.0	248.0
Operating Budget (without one-time funds)	148,880.4	136,429.4	136,997.8	143,231.8	152,892.0
Percent Change from Prior Year (without one-time funds)	-8.9%	-8.4%	0.4%	4.6%	6.7%
Economic Development (One-Time Funding)					
Critical Minerals & Rare Earth Elements				5,800.0	
Unmanned Aerial Vehicle Systems (UA Drone Program)				10,000.0	
Mariculture, Research & Development				5,000.0	
Heavy Oil & Gas Recovery				5,000.0	
Subtotal One-Time Funding	-	-	-	25,800.0	-
Final GF Management Plan (with one-time funds)	148,880.4	136,429.4	136,997.8	169,031.8	152,892.0
Percent Change from Prior Year (with one-time funds)		-8.4%	0.4%	23.4%	-9.5%

Figure 1.9 notes:

1. FY20-FY22 Governor's compact reduction years; legislative adjustments include UAF's share of GF reductions for each respective year.
2. FY22 and FY24 transfers include transfers from the UA System to UAF for HR and Procurement.

GENERAL FUND BUDGETS BY ALLOCATION AND FY23 BUDGET STRUCTURE

The single appropriation structure for the University of Alaska has been restored in FY23 after using a dual appropriation structure for FY20-FY22. For organizational and managerial purposes, the university's budget is grouped into Results Delivery Units (RDU) with related components (allocations). For UAF Troth Yedtha' (Fairbanks) and community campuses, there are eight allocations:

- University of Alaska (Appropriation)
- University of Alaska Fairbanks RDU
 - Fairbanks Campus (Allocation)
 - UAF Community and Technical College (Allocation)
 - Bristol Bay Campus (Allocation)
 - Chukchi Campus (Allocation)
 - Interior Alaska Campus (Allocation)

- Kuskokwim Campus (Allocation)
- Northwest Campus (Allocation)
- College of Rural and Community Development (Allocation)

C. Six-year trends and one-year changes in expenditures by NCHEMS and Fund Type noting significant changes.

Appendix 1.D.1 - Expenditures by NCHEMS FY18-FY23

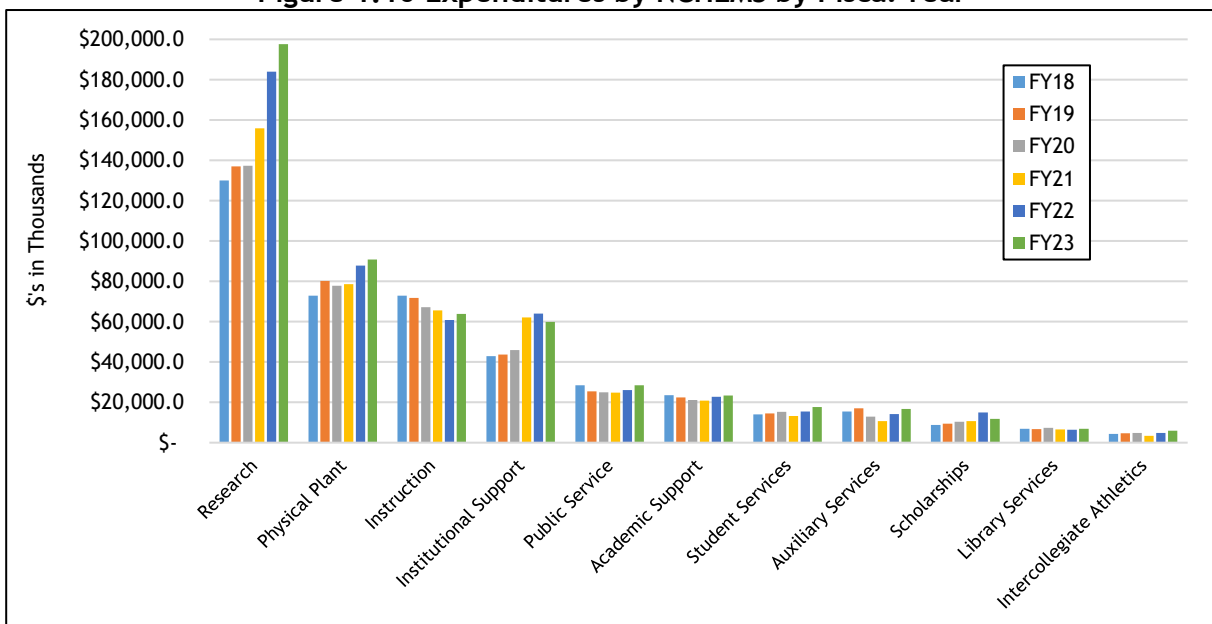
Appendix 1.D.2 - Expenditures by Allocation and NCHEMS FY18-FY23

Appendix 1.D.3 - Expenditures by Fund Type and NCHEMS FY18-FY23

EXPENDITURES BY NCHEMS

The most significant expenditure categories by NCHEMS (National Center for Higher Education Management Systems) include research, instruction, physical plant and institutional support.

Figure 1.10 Expenditures by NCHEMS by Fiscal Year



Research activity continues to drive the largest proportion of expenditures, making up 37.8 percent of the total. From FY22 to FY23, research expenditures increased 7.4 percent (\$13.7 million) with strong year over year growth since FY20. This demonstrates UAF’s strong commitment to growing the research enterprise with aspirations to become an R1 research institution in the future. Additional discussion about UAF’s goal to achieve R1 is located in Section 6.

After several years of declines in the Instruction category, FY23 demonstrates a 5.1 percent increase from FY22 levels and is indicative of rebounding instructional activities across many academic schools and colleges.

Institutional support (or general administrative) costs consist of expenditures related to support functions such as business offices, accounting, budget, EEO/AA, facilities planning, finance, human resources, and information technology (IT). Institutional support costs were artificially inflated in FY21 and FY22 due to some COVID-19 cost activity in this category. With the decrease of COVID-19 related activity, institutional support costs have decreased approximately \$4 million from FY22 to FY23 (6.3 percent).

In FY22, Scholarship activity demonstrated a spike primarily due to student financial aid awards and emergency scholarship support funding through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. In FY23, scholarship activity is returning to normal, pre-pandemic levels.

D. Six-year trend and one-year changes in expenditures by major account code and fund noting significant changes.

Appendix 1.E.1 - Expenditures by Source FY18-FY23

Appendix 1.E.2 - Expenditures by Allocation and Expenditure Source FY18-FY23

Appendix 1.E.3 - Expenditures by Fund and Expenditure Source FY18-FY23

Appendix 1.E.4 - Expenditures by Vice Chancellor and Unit FY18-FY23

EXPENDITURES BY ACCOUNT CODE

Total UAF operating expenditures increased 4.4 percent since FY22. Salaries and benefits make up the majority of expenditures at 45.9 percent and increased by 7.9 percent from FY22 to FY23. This increase is attributed to the compensation increases funded by the state in FY23, and increased hiring at UAF to refill vacant positions and invest in targeted areas.

Contractual services is the second largest expenditure component at 29.9 percent of UAF's total operating budget. From FY22 to FY23, contractual services increased by 2.0 percent (\$3.0 million) and was primarily due to increased activity at auxiliary units, notably at Residence Life and Dining Services. This increase reflects the return to students living and interacting on campus post COVID-19.

Land/building expenditures decreased 15.3 percent from FY22 (or \$2.8 million). This decrease was primarily driven by a reduction in UAF's central account to fund capital projects. For several years, the UA System has received minimal capital project funding support from the state, requiring UAF to find internal sources to cover the costs of essential capital projects on campus. The ability to use operating funds to cover capital project costs has minimized in recent years.

From FY22 to FY23, student aid expenditures decreased by \$3.7 million (or 20 percent). In FY22, student aid expenditures were unusually high due to student financial aid awards and emergency scholarship funding (approximately \$4.5 million) through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This support ended in FY23. However, it is important to note that other UAF student aid support has increased from FY22 to FY23 for fellowships, scholarships, talent grant waivers, and other student aid due to targeted focus on supporting students.

Capital outlay includes various equipment and these expenditures increased by \$2.7 million, or 28.8 percent from FY23 levels. The increase is primarily driven by state of Alaska economic development capital research activity for Critical Minerals and Rare Earth, and Heavy Oil (CEM), and Drones (GI). Other increases in the CEM INE Water Research Center and GI UARC occurred in FY23.

Travel expenditures makes up 2.1 percent of total expenditures. Travel activity increased by \$4.6 million from FY22 to FY23 and is returning to normal, pre-pandemic levels. In FY23, 57.6 percent of travel was funded from sponsored activities/research related travel.

Unrestricted expenditures make up the majority of expenditures with \$321.4 million or 61.4 percent of total expenditures; restricted expenditures total \$201.7 million or 38.6 percent. Restricted funds also include auxiliary and designated fund types because these funds are directed to specific and restricted/sponsored purposes.

Figure 1.11 Expenditures by Source, FY23 UAF Total ~ \$523M

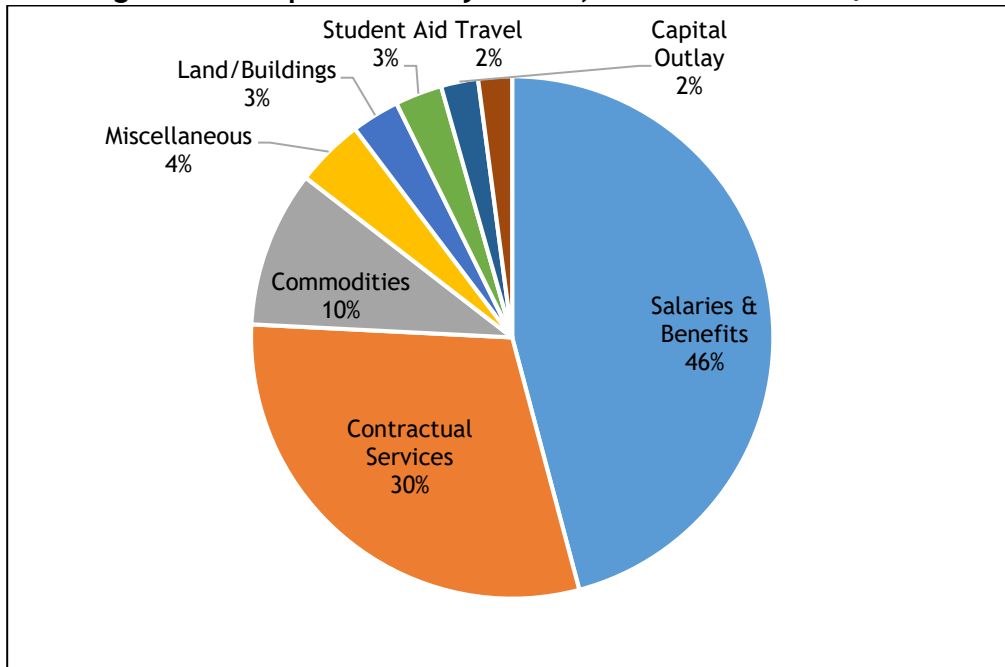


Figure 1.12 Expenditure Sources by Fiscal Year

