

**State of Alaska
FY2019 Governor's Operating Budget**

**University of Alaska
Enterprise Entities
Results Delivery Unit Budget Summary**

Enterprise Entities Results Delivery Unit**Contribution to Department's Mission**

The Enterprise Entities Unit includes the University of Alaska (UA) Foundation and the Education Trust of Alaska. The UA Foundation supports the university and its students through soliciting, managing, and investing donations for student aid and program support. The Education Trust of Alaska operates a college savings plan in accordance with Internal Revenue Code 529 to promote attendance at the University of Alaska and help individuals save and invest for their college education.

Major RDU Accomplishments in 2017

- The Education Trust of Alaska made saving and investing more attractive and accessible through the elimination of account fees and program manager program fees as well as the development of payroll deduction and gifting portals. This included a 62% reduction in T. Rowe Price and UA Plan fees and the trust fee was lowered by 28% from 7bps to 5bps.
- The UA Foundation made distributions for the benefit of the University of Alaska totaling \$18.0 million in 2017. This is an increase of \$2.1 million over 2016. The distributions include \$3.4 million for student aid.

Key RDU Challenges

- The economic challenges in the State of Alaska at this time may be a challenge to receiving charitable contributions in support of the University of Alaska.
- Tax reform may reduce the incentive to donate by reducing charitable deductions and negatively affect the tax-advantaged status of Section 529 college savings plans.

Significant Changes in Results to be Delivered in FY2019

- Will increase outreach and promotion through UA's first ever, system-wide fundraising campaign.
- Will increase participation and contribution through several programs that provide more visibility of the Education Trust to Alaskans.
- Increased attendance at the University of Alaska by participants in the Education Trust of Alaska's college savings plans.

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**Enterprise Entities
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2017 Actuals				FY2018 Management Plan				FY2019 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures UA Foundation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,934.6	0.0	0.0	3,934.6
Education Trust of Alaska	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,478.5	0.0	0.0	1,478.5
Totals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,413.1	0.0	0.0	5,413.1

Enterprise Entities Summary of RDU Budget Changes by Component From FY2018 Management Plan to FY2019 Governor					
<i>All dollars shown in thousands</i>					
	<u>Unrestricted</u> <u>Gen (UGF)</u>	<u>Designated</u> <u>Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal</u> <u>Funds</u>	<u>Total Funds</u>
FY2018 Management Plan	0.0	0.0	0.0	0.0	0.0
Adjustments which continue current level of service:					
-UA Foundation	0.0	3,934.6	0.0	0.0	3,934.6
-Education Trust of Alaska	0.0	1,478.5	0.0	0.0	1,478.5
FY2019 Governor	0.0	5,413.1	0.0	0.0	5,413.1