

**State of Alaska
FY2024 Governor's Operating Budget**

**University of Alaska
Education Trust of Alaska
RDU/Component Budget Summary**

RDU/Component: Education Trust of Alaska

Contribution to Department's Mission

The University of Alaska inspires learning, and advances and disseminates knowledge through teaching, research, and public service, emphasizing the North and its diverse peoples.

University of Alaska Mission Statement
 Board of Regents' Policy 01.01.010
 Adopted 10-06-00

Results

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

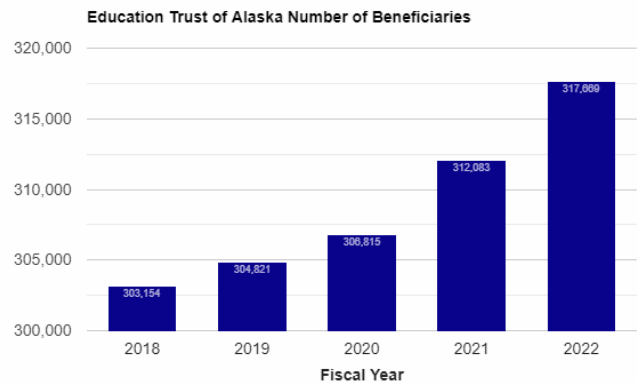
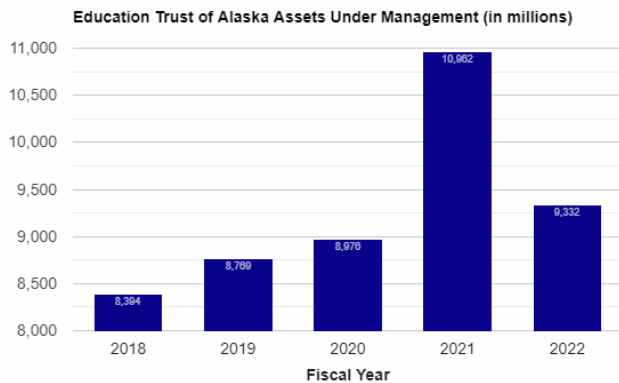
Core Services

- Provide resources for families to fund education, qualifying for better jobs and more opportunities.

Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

1. Provide resources for families to fund education, qualifying for better jobs and more opportunities.



Major Component Accomplishments in 2022

The Education Trust of Alaska was established in 2001, pursuant to the Alaska College Savings Act, to help inspire a college going culture in Alaska, to encourage attendance at the University of Alaska, and to help participants provide for the increasing cost of higher education through tax-advantaged savings and investments. The Trust offers three separately marketed Section 529 college savings plans to generate the critical mass needed to bring a high quality college savings program to Alaskans: Alaska 529, marketed to investors within Alaska; the T. Rowe Price College Savings Plan, nationally marketed directly to investors; and the John Hancock Freedom 529, marketed nationally through financial advisors.

As of June 30, 2022, the Education Trust of Alaska held \$9.3 billion in assets for approximately 318,000 beneficiaries across the country, including approximately 28,723 Alaskans. Over 3,600 plan beneficiaries enrolled at UA in FY2022, earning 411 credentials and paying \$19 million in tuition and fees. In March 2021, the Trust launched an ongoing recruitment initiative, reaching out to approximately 50,000 non-Alaskan high school-aged beneficiaries in the Trust's 529 plans on a quarterly basis, to encourage and consider enrolling at UA. In 2022, 86 non-residents recruited

through the campaign applied to UA. In April 2022, the Trust launched the Dash to Save™ and Dash to Save More™ incentive programs to encourage every Alaskan to open a 529 account and save systematically.

The University of Alaska Portfolio investment option in Alaska 529 features a unique tuition-value guarantee that ensures the value of the investment keeps up with tuition inflation when used for tuition at the University of Alaska.

Key Component Challenges

Changes to the Permanent Fund Dividend could have a significant impact on saving, as it is the single largest source of contributions to Alaska 529.

Tax reform may affect the tax-advantaged status of Section 529 plans or significantly change the purpose beyond paying for post-secondary education and K-12 tuition.

Adverse investment markets or economic conditions have and could continue to affect families' inclination or ability to save for future education needs.

Significant Changes in Results to be Delivered in FY2024

Increased number of accounts and unique beneficiaries in the Alaska 529 plan.

Increased attendance at the University of Alaska by participants in the Trust's 529 plans.

Statutory and Regulatory Authority

No statutes and regulations.

Contact Information
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Education Trust of Alaska Personal Services Information				
Authorized Positions			Personal Services Costs	
	<u>FY2023</u> <u>Management</u> <u>Plan</u>	<u>FY2024</u> <u>Governor</u>		
Full-time	7	7	Annual Salaries	0
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	0
			<i>Less % Vacancy Factor</i>	()
			Lump Sum Premium Pay	0
Totals	7	7	Total Personal Services	

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
No personal services.					
Totals	0	0	0	0	0

Component Detail All Funds
University of Alaska

Component: Education Trust of Alaska (3198)
RDU: Enterprise Entities (678)

Non-Formula Component

	FY2022 Actuals	FY2023 Conference Committee	FY2023 Authorized	FY2023 Management Plan	FY2024 Governor	FY2023 Management Plan vs FY2024 Governor	
71000 Personal Services	657.6	728.0	728.0	610.3	631.4	21.1	3.5%
72000 Travel	29.9	45.0	45.0	51.0	51.0	0.0	0.0%
73000 Services	3,353.4	3,430.8	3,430.8	4,902.0	4,902.0	0.0	0.0%
74000 Commodities	56.7	36.0	36.0	85.5	85.5	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	4,097.6	4,239.8	4,239.8	5,648.8	5,669.9	21.1	0.4%
Fund Sources:							
1048 Univ Rcpt (DGF)	4,097.6	4,239.8	4,239.8	5,648.8	5,669.9	21.1	0.4%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	4,097.6	4,239.8	4,239.8	5,648.8	5,669.9	21.1	0.4%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	7	7	7	7	7	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
University of Alaska

Component: Education Trust of Alaska (3198)
RDU: Enterprise Entities (678)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2023 Conference Committee To FY2023 Authorized *****												
FY2023 Conference Committee	ConfCom	4,239.8	728.0	45.0	3,430.8	36.0	0.0	0.0	0.0	7	0	0
1048 Univ Rcpt		4,239.8										
Subtotal		4,239.8	728.0	45.0	3,430.8	36.0	0.0	0.0	0.0	7	0	0
***** Changes From FY2023 Authorized To FY2023 Management Plan *****												
Align Authority with Anticipated Expenditures	LIT	0.0	-117.7	6.0	62.2	49.5	0.0	0.0	0.0	0	0	0
Transfers between expenditure categories that University of Alaska management and the Board of Regents have deemed necessary to accurately reflect expenditure levels for FY2023.												
Distribute University of Alaska Receipt Authority	Trin	1,409.0	0.0	0.0	1,409.0	0.0	0.0	0.0	0.0	0	0	0
1048 Univ Rcpt		1,409.0										
Distribute University of Alaska receipt authority to better align with estimated expenditures in FY2023.												
\$1,409.0 - Education Trust of Alaska (\$1,409.0) - Anchorage Campus (\$150.0) - Bristol Bay Campus (\$20.0) - Chukchi Campus (\$1,075.0) - College of Rural and Campus Development \$2,745.0 - Fairbanks Campus (\$600.0) - Interior Alaska Campus (\$350.0) - Kuskokwim Campus (\$50.0) - Northwest Campus (\$500.0) - University of Alaska Fairbanks Community and Technical College												
Subtotal		5,648.8	610.3	51.0	4,902.0	85.5	0.0	0.0	0.0	7	0	0
***** Changes From FY2023 Management Plan To FY2024 Governor *****												
University of Alaska Compensation Increases – Staff, Faculty, and Firefighters	SalAdj	21.1	21.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1048 Univ Rcpt		21.1										

In accordance with the University of Alaska’s mission, the University of Alaska is committed to providing a competitive total compensation package, including salary and benefits, that will attract, retain, and reward high-performing employees who share a passion for higher education. The University of Alaska strives to make employee compensation performance-based, competitive to institutions with similar missions, and commensurate with the individual’s level of responsibility.

Change Record Detail - Multiple Scenarios with Descriptions
University of Alaska

Component: Education Trust of Alaska (3198)
RDU: Enterprise Entities (678)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
<p>In FY2023, the University of Alaska was able to pay a two percent salary adjustment for all non-union staff, union-represented firefighters, and Local 6070 employees. The FY2024 request includes a 2.75 percent wage increase for staff and firefighters. Except for a market adjustment in FY2020, there has only been one across-the-board increase of one percent, for staff and firefighters, in the five prior years.</p> <p>The University of Alaska and the United Academics faculty union (UNAC) reached a tentative agreement (TA) on a three-year contract that increases faculty pay by three percent in FY2023, 2.75 percent in FY2024, and 2.5 percent in FY2025. The TA is pending approval by the University of Alaska Board of Regents and the State Department of Administration, and ratification by the United Academics bargaining unit members. The FY2024 request includes a 2.75 percent wage increase for UNAC.</p> <p>The University of Alaska and the United Academic Adjuncts faculty union (UNAD) reached a tentative agreement (TA) on a two-year contract that increases adjunct faculty pay for semester credit hour minimums by three percent in FY2023 and 2.75 percent in FY2024. The TA is pending approval by the University of Alaska Board of Regents and the State Department of Administration, and ratification by the adjunct bargaining unit members. The FY2024 request includes a 2.75 percent pay increase for UNAD.</p> <p>The University of Alaska Pension Plan wage base shall increase from \$42 thousand to \$52 thousand effective the first full pay period after July 1, 2023. This change is estimated to cost \$2,500.0.</p> <p>In FY2024, the University of Alaska will renew its medical (including dental and vision) plan at a higher rate. Parental leave (five days) will be added to the benefits package and life insurance employer-paid benefit plan coverage will increase from \$50.0 to \$100.0. This request includes \$2,300.0 for health benefits increase expected in FY2024.</p>												
		5,669.9	631.4	51.0	4,902.0	85.5	0.0	0.0	0.0	7	0	0

Personal Services Expenditure Detail
University of Alaska

Component: Education Trust of Alaska (3198)

RDU: Enterprise Entities (678)

Notes:

1. If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in the column.
2. "Pool" PCN refers to UA temporary positions, such as adjunct faculty; student employees; and other non-permanent staff. Multiple incumbents may share the same labor pool position number

PCN	Job Class Title	Location	Time Status	Split/Count	Employee Class	Benefit Rate	Annual	Annual	Total	UGF Estimate	
							Budgeted Salary	Benefits	Costs		
100032	Communications Manager 2	Fairbanks	FT		APT - Exempt Employees	38.5%	69,625	26,806	96,431	-	
100507	Senior Administrator Director	Fairbanks	FT		Officer	24.6%	128,516	31,615	160,131	-	
100607	Fiscal Technician 4	Fairbanks	FT		PERS - Classified	48.6%	61,693	29,983	91,676	-	
100620	Admin Specialist 2	Fairbanks	FT		PERS - Classified	48.6%	65,499	31,833	97,332	-	
100625	Admin Specialist 2	Fairbanks	FT	**	PERS - Classified	48.6%	32,089	15,595	47,684	-	
100634	Administrative Professional 2	Fairbanks	FT	**	APT - Exempt Employees	38.5%	72,051	27,740	99,791	-	
100654	Senior Administrator Officer	Fairbanks	FT	**	Officer	24.6%	200	-	200	-	
Pool	UA Labor Pool	Fairbanks	PT		Labor Pool	0.0%	17,056		17,056	-	
Total Position Costs							446,729	163,571	610,300	-	
Full Time Positions:										7	
Part Time Positions:											
Positions in Component:										7	
								Federal Receipts (1002)			
								General Fund Receipts (1004)			
								Interagency Receipts (1007)			
								University Receipts (1048)		610,300	
								UA Intra-agency Transfers (1174)			
								UA Funding		610,300	