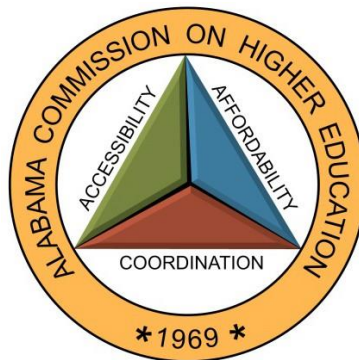


FY 2023-2024

Consolidated Budget
Recommendation

Alabama Commission
on Higher Education



ALABAMA COMMISSION ON HIGHER EDUCATION

CONSOLIDATED BUDGET
RECOMMENDATION FOR FISCAL YEAR
2023-2024

" The Commission shall receive, evaluate and coordinate budget requests for the public institutions of higher education of this state, shall hold open hearings on the budget requests of the separate institutions and shall present to each institution and to the Governor and the Legislature, a single unified budget report containing budget recommendations for separate appropriations to each of the institutions. The consolidated budget and analysis of the Commission shall be accompanied by the original requests and their justifications as submitted by each institution. The recommendations of the commission shall be derived directly from its assessment of the actual funding needs of each of the universities, as presented to it by the presidents, which assessment may include, but shall not be limited to, derived conclusions that may be based upon standard techniques of objective measurement, need and unit cost figures arrived at through the use of comparative and verified data secured from the various institutions, applied in an impartial and objective manner, and comparison shall be made not only between similar functions of institutions in Alabama but also between Alabama institutions and similar functions of institutions located in other states, provided that nothing herein shall be construed to prohibit any institutions of higher education in this state from submitting any matter pertaining to the financial operation and needs of said institution to the Legislature or to the Governor at any time."

Ala. Code §16-5-9(b) (1975)

Consolidated Budget Recommendation By The Alabama Commission on Higher Education

As prescribed by Section 16-5-9(b) of the Code of Alabama, the Alabama Commission on Higher Education has evaluated the budgets submitted by the senior public institutions of higher education and by the Chancellor of the community and technical colleges. At the Commission meeting on December 9, 2022, the Commission approved a funding recommendation for higher education for Fiscal Year (FY) 2023-2024.

The recommendation, identified as the FY 2023-2024 Recommendation, provides an overall appropriation increase of slightly over eleven percent (11.19%) from the Education Trust Fund (ETF) for public colleges and universities.

The Commission recommends a funding level of \$2,058,482,577 for all public colleges and universities. The recommendation is based on the following:

- (1) Continuing to develop a budget recommendation based on higher education's share of the Education Trust Fund (ETF), which has historically been around 25-27%, is no longer feasible given the record levels of state revenue contributing to high levels of ETF funding. A more realistic and responsible approach would base funding on last year's increase in state funding, which is around 9 percent for most institutions.
- (2) One of the common themes throughout the budget hearings was the need for increased salaries to help retain and attract faculty and staff, and address issues with salary compression. This budget recommendation provides support for requested salaries and benefits.
- (3) Provides funds that will give institutions flexibility in addressing rising utility costs, upgrades to technology infrastructure, and other needs of their campuses.
- (4) Provides an allocation based on weighted credit hours using weighting methodology from the ACHE Standard Formula. These funds recognize increases in enrollment, credit hour productivity, and the need to fund STEM and other programs requiring more resources.
- (5) Recognizes the ongoing importance of capital assets. One of the themes throughout the budget hearings was the need to address deferred maintenance as well as building renovation and construction.

The Commission also includes recommendations for other lines not directly associated with a public college or university. The amount of new money being recommended for these state level lines is \$20,406,194.

This brings the total increase in new funds needed for the recommendation to \$227,553,913 or an increase of over ten percent (10.68%).

The total amount recommended for higher education from the Education Trust Fund is \$2,358,835,485.

Fiscal Year 2023-2024 Consolidated Budget Recommendation

Institution	FY 2022-2023	FY 2023-2024	% Increase Requested	FY 2023-2024	FY 2023-2024	
	Appropriation	Institutional EBO Request		Consolidated Budget Recommendation	Amount CBR Increase	% Change CBR
AAMU	50,729,922	133,660,316	163.47%	55,881,200	5,151,278	10.15%
ASU	55,871,225	68,097,431	21.88%	61,552,502	5,681,277	10.17%
AU	306,003,909	336,447,788	9.95%	340,845,842	34,841,933	11.39%
UA	212,885,740	233,853,254	9.85%	237,542,170	24,656,430	11.58%
UAB	348,600,223	380,788,621	9.23%	390,219,232	41,619,009	11.94%
UAH	63,678,125	99,290,309	55.93%	70,919,454	7,241,329	11.37%
USA	140,713,869	165,385,256	17.53%	157,754,087	17,040,218	12.11%
Doctoral O&M Total	1,178,483,013	1,417,522,975	20.28%	1,314,714,486	136,231,473	11.56%
ATHENS	19,444,951	23,330,304	19.98%	21,477,702	2,032,751	10.45%
AUM	29,539,550	31,599,274	6.97%	32,934,063	3,394,513	11.49%
JSU	51,028,490	61,178,282	19.89%	56,579,188	5,550,698	10.88%
TROY	68,023,640	85,050,000	25.03%	75,900,537	7,876,897	11.58%
UM	27,232,352	32,682,352	20.01%	30,052,333	2,819,981	10.36%
UNA	45,004,247	55,804,000	24.00%	50,068,459	5,064,212	11.25%
UWA	25,656,648	31,550,163	22.97%	28,925,012	3,268,364	12.74%
Nondoctoral O&M Total	265,929,878	321,194,375	20.78%	295,937,293	30,007,415	11.28%
Total Universities	1,444,412,891	1,738,717,350	20.38%	1,610,651,779	166,238,888	11.51%
Total Two-Year	406,921,967	452,506,116	11.20%	447,830,798	40,908,831	10.05%
Total Public Institutions	1,851,334,858	2,191,223,466	18.36%	2,058,482,577	207,147,719	11.19%
All State-Level Programs	279,946,714	354,120,161	26.50%	300,352,908	20,406,194	7.29%
Total	2,131,281,572	2,545,343,627	19.43%	2,358,835,485	227,553,913	10.68%

FY 2023-2024 ETF Consolidated Budget Recommendation

Institution	FY 2022-2023 Appropriation (1)	Recommended Personnel, Salary, & Benefit Increase (2)	Mandated Funds for Rate Increases (3)	Inflationary Costs Increase Over FY2023 Appropriation (4)	Distribution Based on Weighted Credit Hours by Level & Discipline (5)	Total Recommended Increase	Percentage of Total Recommended Increase
AAM	\$ 50,729,922	\$ 2,333,576	\$ 5,882	\$ 2,130,657	\$ 681,163	\$ 5,151,278	10.15%
ASU	\$ 55,871,225	\$ 2,570,076	\$ 126,066	\$ 2,421,591	\$ 563,543	\$ 5,681,277	10.17%
AU	\$ 306,003,909	\$ 14,076,180	\$ 1,714,614	\$ 12,852,164	\$ 6,198,974	\$ 34,841,933	11.39%
UA	\$ 212,885,740	\$ 9,792,744	\$ 842,269	\$ 8,941,201	\$ 5,080,216	\$ 24,656,430	11.58%
UAB	\$ 348,600,223	\$ 16,035,610	\$ 2,629,314	\$ 14,641,209	\$ 8,312,876	\$ 41,619,009	11.94%
UAH	\$ 63,678,125	\$ 2,929,194	\$ 234,813	\$ 2,674,481	\$ 1,402,840	\$ 7,241,329	11.37%
USA	\$ 140,713,869	\$ 6,472,838	\$ 158,392	\$ 5,909,982	\$ 4,499,006	\$ 17,040,218	12.11%
Doctoral O&M Total	\$ 1,178,483,013	\$ 54,210,219	\$ 5,711,350	\$ 49,571,287	\$ 26,738,618	\$ 136,231,473	11.56%
ATHENS	\$ 19,444,951	\$ 894,468	\$ 14,943	\$ 816,688	\$ 306,653	\$ 2,032,751	10.45%
AUM	\$ 29,539,550	\$ 1,358,819	\$ 201,263	\$ 1,240,661	\$ 593,770	\$ 3,394,513	11.49%
JSU	\$ 51,028,490	\$ 2,347,311	\$ 33,079	\$ 2,143,197	\$ 1,027,112	\$ 5,550,698	10.88%
TROY	\$ 68,023,640	\$ 3,129,087	\$ 402,038	\$ 2,856,993	\$ 1,488,778	\$ 7,876,897	11.58%
UM	\$ 27,232,352	\$ 1,252,688	\$ 136,972	\$ 1,143,759	\$ 286,562	\$ 2,819,981	10.36%
UNA	\$ 45,004,247	\$ 2,070,195	\$ 143,425	\$ 1,890,178	\$ 960,414	\$ 5,064,212	11.25%
UWA	\$ 25,656,648	\$ 1,180,206	\$ 107,943	\$ 1,077,579	\$ 902,636	\$ 3,268,364	12.74%
Non-Doctoral O&M Total	\$ 265,929,878	\$ 12,232,774	\$ 1,039,662	\$ 11,169,055	\$ 5,565,924	\$ 30,007,415	11.28%
Total Senior Institutes	\$ 1,444,412,891	\$ 66,442,993	\$ 6,751,013	\$ 60,740,341	\$ 32,304,541	\$ 166,238,888	11.51%
Two-Year Colleges	\$ 406,921,967	\$ 18,718,410	\$ -	\$ 17,468,265	\$ 4,722,156	\$ 40,908,831	10.05%
Total Public Institutions	\$ 1,851,334,858	\$ 85,161,403	\$ 6,751,013	\$ 78,208,606	\$ 37,026,697	\$ 207,147,719	11.19%
All State-Level Programs	\$ 279,946,714					\$ 20,406,194	7.29%
TOTAL ACHE RECOMMENDATION	\$ 2,131,281,572					\$ 227,553,913	10.68%

Source

(1) Act 2022-393 (The Education Trust Fund FY 2023 Budget).

(2) Executive Budget Office FY2024 Budget Request Forms. Reflects increase of 4.6% above the institutions' FY 2023 ETF appropriations for salaries, and benefits.

(3) Institution Needs Assessment and EBO Budget Request Submissions which show Tier 1 TRS unchanged at 12.59%; and increase in Tier 2 TRS from 11.44% to 11.57%.

(4) Inflationary Costs reflect an "Across the Board" increase of 4.2% above the institutions' FY 2023 ETF appropriations.

(5) An increase of 2% above the institutions' FY 2023 ETF appropriations, divided using the weighted credit hours from the ACHE Standard Calculation.

Fiscal Year 2023-2024 Consolidated Budget Recommendation

	FY 2022-2023 Appropriation	FY 2023-2024 EBO Request	% Increase Requested	FY 2023-2024 Recommendation	FY 2023-2024 Recommended Increase	% Change FY 2023-2024 Recommendation
<u>Other Two-Year</u>						
AL Community College System-System Office	13,739,913	14,701,707	7.00%	14,426,909	686,996	5.00%
Adult Basic Education	13,814,656	14,654,656	6.08%	14,505,389	690,733	5.00%
Alabama Fire College(a)	6,087,282	6,478,742	6.43%	6,391,646	304,364	5.00%
STEAM Pilot Program	600,000	660,000	10.00%	630,000	30,000	5.00%
Special Population Training	4,725,281	5,197,809	10.00%	4,961,545	236,264	5.00%
Life Tech	2,500,000	2,500,000	0.00%	2,500,000	0	0.00%
Perry County Facility	2,500,000	2,500,000	0.00%	2,500,000	0	0.00%
Corrections Ed-Therapeutic Training	1,999,901	1,999,901	0.00%	1,999,901	0	0.00%
Corrections Ed-Day Reporting Program	1,000,000	1,000,000	0.00%	1,000,000	0	0.00%
Mine Safety Training Program	350,000	350,000	0.00%	350,000	0	0.00%
AL Technology Network	5,452,830	5,752,830	5.50%	5,725,472	272,642	5.00%
AL Technology Network-Workforce Training	503,906	503,906	0.00%	503,906	0	0.00%
Dual Enrollment	26,182,385	31,182,385	19.10%	27,491,504	1,309,119	5.00%
Central-Truck Driver Training	240,790	240,790	0.00%	240,790	0	0.00%
Automotive Workforce Training Scholarship Program	300,000	300,000	0.00%	300,000	0	0.00%
Automotive Manufacturing Development Program	312,500	500,000	60.00%	328,125	15,625	5.00%
Distance Learning Program	3,375,000	3,375,000	0.00%	3,375,000	0	0.00%
Volunteer EMSP Certifications	125,000	125,000	0.00%	125,000	0	0.00%
Women's Fund of Greater Birmingham Ed Support	750,000	750,000	0.00%	750,000	0	0.00%
Smart Workforce Training Pilot Project	200,000	200,000	0.00%	200,000	0	0.00%
Career Pathways	1,000,000	1,000,000	0.00%	1,000,000	0	0.00%
WF Dev. Short Term Certification Credential (Innovation Ctr)	15,000,000	20,000,000	33.33%	15,750,000	750,000	5.00%
Industry Certification Initiatives	7,160,778	9,640,408	34.63%	7,518,817	358,039	5.00%
LPN Programs	2,000,000	4,000,000	100.00%	2,100,000	100,000	5.00%
Career Tech Equipment	5,000,000	5,000,000	0.00%	5,000,000	0	0.00%
Aerospace and Aviation Workforce Initiative Program	0	1,000,000		1,000,000	1,000,000	
Other Two-Year Total:	114,920,222	133,613,134	16.27%	120,674,004	5,753,782	5.01%
<u>Other Higher Education</u>						
MESC/Dauphin Island Sea Lab	5,500,849	40,150,000	629.89%	5,775,891	275,042	5.00%
Private Colleges & Schools						
Talladega College*	1,069,234	1,069,234	0.00%	1,122,696	53,462	5.00%
UWA/Stillman College	100,000	0		105,000	5,000	5.00%
A&M/Miles Consortium	493,486	532,965	8.00%	518,160	24,674	5.00%
State-Related Institution						
Tuskegee University	13,151,435	13,151,435	0.00%	13,809,007	657,572	5.00%
Total: <u>Private & State-Related Institutions</u>	14,814,155	14,753,634	-0.41%	15,554,863		5.00%
Other Higher Education Total:	20,315,004	54,903,634	170.26%	21,330,754	1,015,750	5.00%

Fiscal Year 2023-2024 Consolidated Budget Recommendation

	FY 2022-2023 Appropriation	FY 2023-2024 EBO Request	% Increase Requested	FY 2023-2024 Recommendation	FY 2023-2024 Recommended Increase	% Change FY 2023-2024 Recommendation
<u>Alabama Commission on Higher Education</u>						
Planning & Coordination Services	3,850,584	4,000,031	3.88%	4,000,031	149,447	3.88%
AGSC/STARS	393,296	600,000	52.56%	600,000	206,704	52.56%
SREB	656,228	806,214	22.86%	806,214	149,986	22.86%
Network of AL Academic Libraries	380,164	398,156	4.73%	398,156	17,992	4.73%
EPSCOR	1,200,235	1,260,184	4.99%	1,260,184	59,949	4.99%
Higher Education Micro-Credential Fund	0	1,000,000		1,000,000	1,000,000	
STEM Major Teacher Recruitment	4,500,000	4,500,000	0.00%	4,500,000	0	
Engage Alabama	0	1,500,000		1,500,000	1,500,000	
Adaptive & Disability Sports Education	60,000	60,000	0.00%	60,000	0	0.00%
AL National Guard Scholarship Program	5,477,991	8,000,000	46.04%	8,000,000	2,522,009	46.04%
Humanities	200,000	200,000	0.00%	200,000	0	
AL Student Assistance Program	8,000,333	8,400,164	5.00%	8,400,164	399,831	5.00%
AL Educational Grant Program (ASGP)	8,000,062	8,400,077	5.00%	8,400,077	400,015	5.00%
Police & Fire Fighters' Survivors Tuition	466,935	490,300	5.00%	490,300	23,365	5.00%
Engage Alabama Scholarship Program	0	4,500,000		4,500,000	4,500,000	
Soil and Water Conservation	2,673,376	2,673,376	0.00%	2,673,376	0	0.00%
AL Forestry Foundation Blackbelt Initiative	1,182,000	1,182,000	0.00%	1,182,000	0	0.00%
Resource Conservation & Develop Program	5,287,745	5,287,744	0.00%	5,287,744	(1)	0.00%
Civil Air Patrol	100,000	100,000	0.00%	100,000	0	0.00%
Black Belt Treasures	335,000	335,000	0.00%	335,000	0	0.00%
Black Belt Adventures	475,001	475,000	0.00%	475,000	(1)	0.00%
National Computer Forensic Institute	450,000	450,000	0.00%	450,000	0	0.00%
AL Motorsports Hall of Fame	200,001	200,000	0.00%	200,000	(1)	0.00%
Alabama Trails Foundation	340,000	340,000	0.00%	340,000	0	0.00%
Math & Science Teacher Ed Scholarship Program	746,750	784,081	5.00%	784,081	37,331	5.00%
AL Recruit & Retain Minority Teachers Pilot	700,001	700,000	0.00%	700,000	(1)	0.00%
Forestry Commission Ed Program	200,001	200,000	0.00%	200,000	(1)	0.00%
AKEEP - Education & Teacher Recruitment Partnership	100,000	150,000	50.00%	150,000	50,000	
Birmingham Promise Scholarship Program	892,500	937,125	5.00%	937,125	44,625	5.00%
Retain Alabama	953,013	997,473	4.67%	997,473	44,460	4.67%
Industry Credential Directory	100,483	105,002		105,002	4,519	4.50%
Alabama Agricultural Land Grant Alliance	6,391,284	6,391,283	0.00%	6,391,283	(1)	0.00%
USS Alabama Battleship	750,000	750,000	0.00%	750,000	0	0.00%
Alabama HBCU Consortium	650,000	650,000	0.00%	650,000	0	0.00%
Economic Industry Alignment	0	150,000		150,000	150,000	
FAFSA Completion	500,000	500,000	0.00%	500,000	0	
Deferred Maintenance	5,000,000	10,000,000	100.00%	10,000,000	5,000,000	0.00%
ETF Source of Funds	60,466,233	76,689,129	26.83%	76,689,129	16,222,896	26.83%
ETF Transfer Source of Funds	746,750	784,081		784,081	37,331	
ACHE Total:	61,212,983	77,473,210	26.56%	77,473,210	16,260,227	26.56%

Fiscal Year 2023-2024 Consolidated Budget Recommendation

	FY 2022-2023 Appropriation	FY 2023-2024 EBO Request	% Increase Requested	FY 2023-2024 Recommendation	FY 2023-2024 Recommended Increase	% Change FY 2023-2024 Recommendation
Other <u>Statewide Programs.</u>						
Dept. of Veterans' Affairs	66,651,301	63,143,996	-5.26%	63,143,996	(3,507,305)	-5.26%
American Legion Scholarships *	112,500	112,500	0.00%	118,125	5,625	5.00%
Dependents Blind Parents*	10,399	10,399	0.00%	10,919	520	5.00%
Medical Scholarships	2,440,014	2,440,014	0.00%	2,562,015	122,001	5.00%
Optometric Scholarships*	200,000	200,000	0.00%	210,000	10,000	5.00%
Dental Scholarships*	731,166	731,166	0.00%	767,724	36,558	5.00%
Nursing Scholarships	616,027	616,027	0.00%	646,828	30,801	5.00%
Fostering Hope Scholarship Program*	1,205,608	1,205,608	0.00%	1,265,888	60,280	5.00%
Teacher In-Service Centers*	3,509,080	3,509,080	0.00%	3,684,534	175,454	5.00%
Public Health Dept. - Continuing Ed EMT	1,635,782	1,635,782	0.00%	1,635,782	0	0.00%
Public Health Dept -Alabama Medical Education Consortium	0	385,000		385,000	385,000	
Trauma Communications Center - UAB	1,000,000	1,000,000	0.00%	1,000,000	0	0.00%
Arts Council - Center for the Arts Foundation	1,150,000	9,688,064	742.44%	1,207,500	57,500	5.00%
UAB-Chauncey Sparks/Special Mental Health*	4,236,628	4,236,628	0.00%	4,236,628	0	0.00%
Total: Other <u>Statewide Programs.</u>	83,498,505	88,914,264	6.49%	80,874,940	(2,623,565)	-3.14%
TOTAL: <u>ALL STATE LEVEL PGMS.</u>	279,946,714	354,904,242	26.78%	300,352,908	20,406,194	7.29%
TOTAL <u>PUBLIC INSTITUTIONS</u>	1,851,334,858	1,951,908,794	5.43%	1,988,981,216	274,916,731	7.43%
TOTAL <u>HIGHER EDUCATION**</u>	2,131,281,572	2,306,813,036	8.24%	2,289,334,124	295,322,925	7.42%

* FY 2023-2024 Budgeted Requests were not received from these entities so the FY 2022-2023 appropriation was included as the requested amount.

**Total includes amounts not counted as Higher Ed.