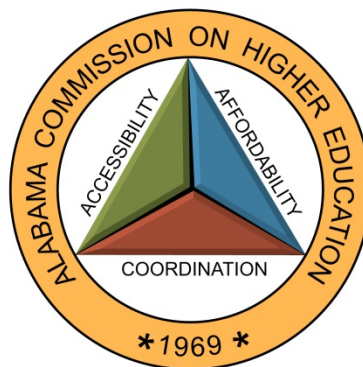


FY 2021-2022

Consolidated Budget
Recommendation

Alabama Commission
on Higher Education



ALABAMA COMMISSION ON HIGHER EDUCATION

CONSOLIDATED BUDGET RECOMMENDATION

FOR FISCAL YEAR 2021-2022

"..... 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 11, 2020, the Commission approved a funding recommendation for higher education for Fiscal Year (FY) 2021-2022.

The recommendation, identified as the FY 2021-2022 Recommendation, (column 6 of the Executive Summary table) provides an overall appropriation increase of slightly over three percent (3.38%) from the Education Trust Fund (ETF) for public colleges and universities.

The Commission recommends a funding level of \$1,647,178,272 for all public colleges and universities. The recommendation is based on the following:

- 1) Fund a TRS retirement rate increase (two and four-year institutions).
- 2) Fund a rate increase for mandated PEEHIP retirees' health insurance for public senior institutions who do not participate in PEEHIP (all except AAMU, Athens, and JSU).
- 3) After the above items are funded, then the Commission recommends that funds be appropriated so that all institutions receive a three percent (3%) increase over the amount appropriated for FY 2020-2021. Statewide lines were recommended for varying amounts.

Difficulties in proposing a Consolidated Budget Recommendation for higher education in Alabama are magnified by the necessity to complete the recommendation process before firm projections are made of ETF revenues and problems in resolving the gap between institutional needs and available state resources. Once again, the Commission has struggled to provide a viable recommendation within the confines of expected ETF revenues.

The Commission also includes recommendations for other lines not directly associated with a public college or university (column 6 of the Executive Summary table). The amount of new money being recommended for these state level lines is \$5,993,232.

This brings the total increase in new funds needed for the recommendation to \$59,789,347 or an increase of almost three and half percent (3.27%). The total amount recommended for higher education from the Education Trust Fund is \$1,886,745,715 (column 6 of the Executive Summary table).

Alabama Commission on Higher Education
Fiscal Year 2021-2022 Consolidated Budget Recommendation
Executive Summary

Alabama Public Higher Education Institutions

INSTITUTION	FY 2020-2021 Appropriation	FY 2021-2022 Institutional EBO Request ⁽²⁾	FY 2021-2022 Rate Increases ⁽³⁾	3% Increase Spread on FY 2021 Appropriation	FY 2021-2022 Recommended Increase	FY 2021-2022 Total Recommendation	% Change FY 2021-2022 Recommendation
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
AAMU(1)	43,524,697	45,425,331	39,505	1,305,741	1,345,246	44,869,943	3.09%
ASU	49,399,287	51,432,931	35,242	1,481,979	1,517,221	50,916,508	3.07%
AU	262,486,088	280,736,555	1,161,432	7,874,583	9,036,015	271,522,103	3.44%
UA	181,307,646	200,030,519	965,786	5,439,229	6,405,015	187,712,661	3.53%
UAB	305,877,113	330,444,339	2,055,111	9,176,313	11,231,424	317,108,537	3.67%
UAH	54,389,011	59,553,885	188,673	1,631,670	1,820,343	56,209,354	3.35%
USA	121,563,708	154,230,000	753,991	3,646,911	4,400,902	125,964,610	3.62%
Doctoral O&M Total	1,018,547,550	1,121,853,560	5,199,740	30,556,426	35,756,166	1,054,303,716	3.51%
ATHENS	15,055,494	17,354,591	17,489	451,665	469,154	15,524,648	3.12%
AUM	26,000,183	27,812,152	131,528	780,005	911,533	26,911,716	3.51%
JSU	43,764,287	47,948,716	44,869	1,312,929	1,357,798	45,122,085	3.10%
TROY	57,907,481	65,700,000	188,184	1,737,224	1,925,408	59,832,889	3.32%
UM	22,863,165	27,435,798	23,895	685,895	709,790	23,572,955	3.10%
UNA	34,391,514	43,750,000	118,035	1,031,745	1,149,780	35,541,294	3.34%
UWA	19,358,785	22,857,125	70,969	580,764	651,733	20,010,518	3.37%
Nondoctoral O&M Total	219,340,909	252,858,382	594,969	6,580,227	7,175,196	226,516,105	3.27%
Total Universities	1,237,888,459	1,374,711,942	5,794,709	37,136,653	42,931,362	1,280,819,821	3.47%
Total Two-Year (4)	355,493,698	382,636,197	199,942	10,664,811	10,864,753	366,358,451	3.06%
Total Institutions	1,593,382,157	1,757,348,139	5,994,651	47,801,464	53,796,115	1,647,178,272	3.38%
Total State-Wide lines (5)	233,574,211	263,682,837			5,993,232	239,567,443	2.57%
Total	1,826,956,368	2,021,030,976	5,994,651	47,801,464	59,789,347	1,886,745,715	3.27%

Notes:

1) AAMU includes FY 2020-21 allocation of \$1,226,181 for the Agricultural Research & Extension State match. Additional funds are included in the line for the Alabama Agricultural Land Grant Alliance (AALGA) allocation. The total FY 2020-21 amount allocated is \$3,479,597.

2) Executive Budget Request forms used as the source for column 2. Only funds requested for O&M and funds directly appropriated to the institution from ETF are included.

3) This column contains funds for rate increases for the TRS retirement rate and the rate increase for mandated PEEHIP retirees' health insurance for public universities which do not participate in PEEHIP. There was no projected increase in the PEEHIP current employee rate for FY 2021-2022. The TRS rate increase is based on calculations made by the AL Comm. on Higher Education using the increase in FY 2021 rate for Tier I Employees (12.36%) to the projected FY 2022 rate (12.43%) and the increase in FY 2021 rate for Tier II Employees (11.22%) to the projected FY 2022 rate (11.24%). Rates subject to change due to legislative action.

Retirees in PEEHIP from the October 2020 count have been increased 5% for FY 2021-2022. FY 2021-2022 rate is increased approximately 5% from FY 2020-2021 for a rate of \$295. This estimate has been calculated by the Alabama Commission on Higher Education and has not been verified by PEEHIP and is subject to legislative action. The increase has been calculated using the FY 2020-2021 estimated amount supplied by the institutions.

4) ACHE was unable to distribute funds to the two-year colleges at this time due to incomplete data. Should this data become available the funds will be allocated to the separate two-year institutions.

5) Detailed information on the State-wide lines can be found on pages 4-6.

Alabama Commission on Higher Education
Fiscal Year 2021-2022 Consolidated Budget Recommendation
Executive Summary
Alabama Public Higher Education Institutions

	FY 2020-2021 Appropriation	FY 2021-2022 EBO Request	FY 2021-2022 Recommendation	FY 2021-2022 Recommendation
	(1)	(2)	(3)	(4)
<u>STATE LEVEL HIGHER EDUCATION PROGRAMS</u>				
<u>Other Two-Year</u>				
AL Community College System-System Office	12,081,721	12,081,721	12,081,721	
Adult Basic Education	13,471,894	14,145,489	13,876,051	3.00%
Alabama Fire College	5,548,437	5,998,437	5,714,890	3.00%
STEAM Pilot Program	450,000	450,000	450,000	
Special Population Training	4,725,281	5,725,281	4,867,039	3.00%
Life Tech	2,000,000	2,000,000	2,000,000	
Mine Safety Training Program	350,000	350,000	350,000	
Corrections Ed-Therapeutic Training	1,939,901	1,939,901	1,939,901	
Corrections Ed-Day Reporting Program	1,000,000			-100.00%
AL Technology Network	4,944,612	5,217,038	5,092,950	3.00%
AL Technology Network-Workforce Training	503,906	503,906	503,906	
Dual Enrollment	18,182,385	21,182,385	18,727,857	3.00%
Central-Truck Driver Training	240,790	240,790	240,790	
Automotive Workforce Training Scholarship Pgm	210,000	210,000	210,000	
Automotive Manufacturing Development Pgm	262,500	262,500	262,500	
Distance Learning Pgm	3,375,000	3,375,000	3,375,000	
Volunteer EMT Certificates	125,000	75,000	75,000	-40.00%
Women's Fund of Greater B'ham Ed Support	400,000	400,000	400,000	
Smart Workforce Training Pilot Project	200,000	200,000	200,000	
AL Workforce Council on Credentialing & Career Pathways	1,000,000	1,000,000	1,000,000	
Industry Certification Initiatives	7,160,778	7,518,817	7,375,601	3.00%
Workforce Development		10,000,000	2,000,000	
Total: <u>Other Two-Year</u>	78,172,205	92,876,265	80,743,206	3.29%
<u>Other Higher Education</u>				
MESC/Dauphin Island Sea Lab	5,203,025	16,510,415	5,463,176	5.00%
Private Colleges & Schools				
Talladega College(a)	947,147	947,147	947,147	
UWA/Stillman College	100,000			
A&M/Miles Consortium	383,486	383,486	383,486	
State-Related Institution				
Tuskegee University	11,676,562	12,026,859	12,026,859	3.00%
Total: <u>Private & State-Related Institutions</u>	13,107,195	13,357,492	13,357,492	1.91%
Subtotal: <u>Other Higher Education</u>	18,310,220	29,867,907	18,820,668	2.79%

Alabama Commission on Higher Education
Fiscal Year 2021-2022 Consolidated Budget Recommendation
Executive Summary
Alabama Public Higher Education Institutions

	FY 2020-2021 Appropriation	FY 2021-2022 EBO Request	FY 2021-2022 Recommendation	FY 2021-2022 Recommendation
	(1)	(2)	(3)	(4)
<u>Alabama Commission on Higher Education</u>				
Planning & Coordination Services	3,598,466	4,099,218	4,099,218	
Planning & Coordination Services Reversion/Reallocation	381,179			
Total Planning & Coordination Services	3,979,645	4,099,218	4,099,218	3.00%
AGSC/STARS	393,067	404,875	404,875	3.00%
AGSC/STARS Reversion/Reallocation	2			
Total AGSC/STARS	393,069	404,875	404,875	3.00%
SREB	656,214	675,900	675,900	3.00%
Network of AL Academic Libraries	303,428	379,201	379,201	
Network of AL Academic Libraries Reversion/Reallocation	64,740			
Total Network of AL Academic Libraries	368,168	379,201	379,201	3.00%
EPSCOR	1,200,216	1,241,211	1,241,211	
EPSCOR Reversion/Reallocation	4,843			
Total EPSCOR	1,205,059	1,241,211	1,241,211	3.00%
Adaptive & Disability Sports Education	60,000	60,001	60,001	
Adaptive & Disability Sports Ed Reversion/Reallocation	1			
Total Adaptive & Disability Sports Education	60,001	60,001	60,001	
AL National Guard Schol. Prog.	4,908,550	5,212,335	5,212,335	
AL National Guard Schol. Prog. Reversion/Reallocation	151,745			
Total AL National Guard Schol. Prog.	5,060,295	5,212,335	5,212,335	3.00%
Humanities Foundation	100,000	100,000	100,000	
AL Student Assistance Program	5,897,551	7,277,225	7,277,225	
AL Student Assistance Program Reversion/Reallocation	198,610			
Total AL Student Assistance Program	6,096,161	7,277,225	7,277,225	19.37%
AL Educational Grant Program (ASGP)	7,006,126	7,277,225	7,277,225	
AL Educational Grant Prg (ASGP) Reversion/Reallocation	59,202			
Total AL Educational Grant Program (ASGP)	7,065,328	7,277,225	7,277,225	3.00%
Police & Fire Fighters' Survivors Tuition	302,000	444,700	444,700	
Police&Fire Fighters' Survivors Tuit. Rev/Reallocation	129,734			
Total Police & Fire Fighters' Survivors Tuition	431,734	444,700	444,700	3.00%
Soil & Water Conservation	2,123,376	2,123,376	2,123,376	
AL Forestry Foundation Blackbelt Initiative	307,000	307,002	307,002	
AL Forestry Found. Blackbelt Initiative Rev/Reallocation	2			
Total AL Forestry Foundation Blackbelt Initiative	307,002	307,002	307,002	
Resource Conservation & Develop Prg	3,137,744	3,137,745	3,137,745	
Resource Conservation & Develop Prg Rev/Reallocation	1			
Total Resource Conservation & Develop Prg	3,137,745	3,137,745	3,137,745	
Civil Air Patrol	100,000	100,000	100,000	
Black Belt Treasures	260,000	260,001	260,001	
Black Belt Treasures Reversion/Reallocation	1			
Total Black Belt Treasures	260,001	260,001	260,001	

Alabama Commission on Higher Education
Fiscal Year 2021-2022 Consolidated Budget Recommendation
Executive Summary
Alabama Public Higher Education Institutions

	FY 2020-2021 Appropriation (1)	FY 2021-2022 EBO Request (2)	FY 2021-2022 Recommendation (3)	FY 2021-2022 Recommendation (4)
Black Belt Adventures	300,000	300,001	300,001	
Black Belt Adventures Reversion/Reallocation	1			
Total Black Belt Adventures	300,001	300,001	300,001	
National Computer Forensic Institute	250,000	250,000	250,000	
AL Motorsports Hall of Fame	200,000	200,000	200,000	
Alabama Trails Foundation	195,000	195,001	195,001	
Alabama Trails Foundation Reversion/Reallocation	1			
Total Alabama Trails Foundation	195,001	195,001	195,001	
Math & Science Teacher Ed Scholarship Pgm	725,000	746,750	746,750	3.00%
AL Recruit & Retain Minority Teachers Pilot	700,000	700,001	700,001	
AL Recruit&Retain Min. Teachers Pilot Rev./Reallocation	1			
Total AL Recruit & Retain Minority Teachers Pilot	700,001	700,001	700,001	
Forestry Commission Ed Program	200,000	200,001	200,001	
Forestry Commission Ed Program Reversion/Reallocation	1			
Total Forestry Commission Ed Program	200,001	200,001	200,001	
AKEEP - Education & Teacher Recruitment Partnership	100,000	100,000	100,000	
B'ham Promise Scholarship Program	750,000	772,500	772,500	3.00%
Student Financial Aid Study		80,000	80,000	
Retain Alabama		725,000	725,000	
Performance Funding		10,000,000	10,000,000	
Higher Education Micro-Credential Fund		5,000,000	5,000,000	
Alabama College Network		60,000	60,000	
Industry Credential Directory		100,000	100,000	
Alabama Agricultural Land Grant Alliance	5,616,283	5,616,284	5,616,284	
AL Agricultural Land Grant Alliance Reversion/Reallocation	1			
Total Alabama Agricultural Land Grant Alliance	5,616,284	5,616,284	5,616,284	
Total: <u>ACHE</u>	40,380,086	58,145,553	58,145,553	44.00%
Dept. of Veterans' Affairs	82,584,496	67,665,677	67,665,677	-18.06%
American Legion Scholarships	112,500	112,500	112,500	
Dependents Blind Parents (a)	10,399	10,399	10,399	
Medical Scholarships	1,940,014	2,440,175	1,998,214	3.00%
Optometric Scholarships	180,000	180,000	180,000	
Dental Scholarships	231,166	731,236	238,101	3.00%
Nursing Scholarships	616,027	616,027	616,027	
Fostering Hope Scholarship Program (a)	1,205,608	1,205,608	1,205,608	
Teacher In-Service Centers	2,959,080	2,959,080	2,959,080	
Public Health Dept. - Continuing Ed EMT	1,635,782	1,635,782	1,635,782	
Public Health Dept. - Office of Emerg Med Services	1,000,000	1,000,000	1,000,000	
Arts Council - Center for the Arts Foundation (a)	1,000,000	1,000,000	1,000,000	
UAB-Chauncey Sparks/Special Mental Health	3,236,628	3,236,628	3,236,628	
Total: Other <u>Statewide Pgms.</u>	96,711,700	82,793,112	81,858,016	-15.36%
TOTAL: <u>ALL STATE LEVEL PGMS.</u>	233,574,211	263,682,837	239,567,443	2.57%
TOTAL <u>PUBLIC INSTITUTIONS</u>	1,593,382,157	1,757,348,139	1,647,178,272	3.38%
TOTAL <u>HIGHER EDUCATION</u>	1,826,956,368	2,021,030,976	1,886,745,715	3.27%

(a) FY 2021-2022 Budgeted Requests were not received from these entities so the FY 2020-2021 appropriation was included as the requested amount.