

Fund Source Report

1011 AACTS Fund Alaska Advance College Tuition Savings Fund

Year Authorized	Year Repealed	Active?	Mental Health?	Duplicated?	Fund Group
1990		No	No	No	Trust / Fiduciary

No Appropriations during last 10 years

Legal Authority

AS 14.40.803(a)

Source of Revenue

Consists of permanent fund dividend and cash contributions under terms of the advance tuition payment contract, legislative appropriations, gifts, bequests, contributions, and investment earnings of the fund.

Restrictions on Use

Assets of the fund shall be expended to make payments to the university and other eligible educational institutions for refunds, redemptions and awards under a savings contract or scholarship, costs to administer the fund, and other obligations of the fund.

Description and History

The Alaska Education Trust Fund was established by Chapter 90, SLA 1990 to enhance the ability of the University of Alaska to provide higher education to the people of the state as well as to provide an incentive for residents to save for post secondary education. Reciprocal agreements may be made with Sheldon Jackson College, Alaska Pacific University, and other eligible educational institutions or state tuition programs that the Board or Regents determines to be beneficial to the advance college tuition savings program. The fund name was changed by Chapter 61, SLA 1991 from the Alaska Education Trust Fund to the Alaska Advance College Tuition Payment Fund and in Chapter 3, SLA 2000, to the Alaska Advance College Tuition Savings Fund.

Individuals may pre-pay University of Alaska tuition for eligible beneficiaries under the terms of a contract offered by the University (AS 14.40.811). Individuals may also contribute to the AACT Savings Fund by direct cash payments or by participating in the permanent fund dividend withholding program. Under the dividend withholding program, half of a participating individual's annual permanent fund dividend is deposited directly into the AACT Savings fund.

Appropriations from the AACT Savings Fund includes the Alaska Higher Education Savings Trust (AS 14.40.802), the Alaska Advance College Tuition Savings Fund (AS 14.40.803), and the Contribution to the Alaska Advance College Tuition Payment Fund (AS 14.40.807).

Receipts and disbursement of participant funds are trustee/custodial transactions and are not included in the University operating budget.

Assets of the Alaska Advanced College Tuition Savings Fund may be used to pay the costs of administration of the fund.

Administrative costs of the program were paid from the fund to the Department of Revenue through FY01. In FY02 the University hired a private firm

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to manage the fund. The code has not been used since FY01.