James R. Johnsen, Ed.D. President

Butrovich Bldg, Ste. 202, 2025 Yukon Drive P.O. Box 755000, Fairbanks, AK 99775-5000 Phone: (907) 450-8000; Fax: (907) 450-8012

Email: ua.president@alaska.edu

www.alaska.edu



June 28, 2019

Dear UA Community,

It is with grave concern for the future of our university and our state that I share with you devastating news of the budget Gov. Mike Dunleavy released this morning. The governor vetoed the state-funded portion of the university operating budget by \$130 million. When combined with the \$5 million cut previously approved by the legislature, we are being asked to cut \$135 million, or 41% from our current state funding level of \$327 million, in the fiscal year that begins in just three days.

The entirety of the reduction was targeted on the appropriation for UAF, UAA and Statewide. UAS and the community campuses were not reduced from the appropriation approved by the legislature. A cut of this magnitude will have immediate and significant impact to our employees, current students' education and future opportunities, to communities all across the state, and to Alaska's future.

The only possible recourse to this budget veto is to seek a legislative override and ask our legislators to support UA's state funded budget of \$322 million – the amount approved by both the House and the Senate. We will ask legislators to affirm their support for the university by voting to override this veto. Simply put, if not overridden, today's veto will strike an institutional and reputational blow from which we may likely never recover.

The Board of Regents met in emergency session today. They directed me to take immediate action to eliminate expenditures in the fiscal year that begins this Monday. Furlough notices will be distributed immediately to all university staff. In addition we will institute an immediate freeze on hiring, travel and new contracts. However, we simply can't meet these budget targets without laying off a large number of people. In the event an override is not secured, the Regents also directed me to prepare a plan for declaring financial exigency by July 15th. This declaration permits the university to more rapidly discontinue programs and academic units, and to start the unprecedented process of removing tenured faculty.

Call to Action: In the mean time we will continue to tell the story of UA's high quality programs and its critical role in our state's economy and our quality of life, and aggressively advocate for our legislatively-approved operating budget of \$322 million through a veto override. Please join me in contacting your legislators and seeking their support. (When contacting legislators remember to make your communication personal to your own views, and avoid using university email or other resources.)

We are heading into uncharted territory with much uncertainty still ahead, but we will stay focused on what is certain -- that UA is a critical part of our state, that our students come first in everything we do, and that we must all pull in the same direction in service to Alaska's future.

I know that this news is very difficult on all of you, and I truly appreciate your continued commitment to the University of Alaska. I will continue to provide regular communications as we work together through this difficult process.

We will remain #UAStrong.

Jim Johnsen

More information and a video from President Johnsen is available at https://alaska.edu/pres/fy2020-budget/index.xml