

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



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Dear UA Colleagues –

The budget process is moving forward in Juneau. The House on Sunday, and the Senate today, approved a state operating budget that appropriates \$322 million in unrestricted general funding (UGF) for the University of Alaska -- a \$5 million UGF reduction from the current year, and a significant improvement over the governor's proposed \$134 million cut. However, the operating budget does not contain an amount for this year's PFD. The dividend will be addressed in separate legislation.

Now that it has passed both House and Senate, the budget will be transmitted to Governor Dunleavy for his signature. Once he receives it, he will have the option to sign the budget into law or exercise his veto power, and the veto risk remains high for the university. This uncertainty creates a difficult challenge for us in our ability to plan for FY20. The constitution requires that an operating budget be passed by July 1, so this timeline could push the final decision past July 1, and we are monitoring the budget process closely.

I provided a number of different options last week to the Board of Regents, and the board will meet again on June 19 to vote on the budget depending on the final appropriation we receive for operating and capital budgets. If you have not yet reviewed the budget options, I encourage you to review the attached presentation from Thursday's Board of Regents meeting.

I am pleased that business and community leaders across the state have voiced their support for the university in very high numbers, and they have made that support known in Juneau. Thank you for your patience, your focus on our mission and for your advocacy. I appreciate all that you do for the University of Alaska. The coming days will be important as we continue to advocate for the university. I will continue to provide you updates as we know more about the final budget outcome.

Sincerely,

Jim Johnsen  
President, University of Alaska