Pat Pitney President

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Dear UA Community -

Today, Governor Mike Dunleavy <u>released his FY24 budget</u> that provides continued stability for UA. We appreciate the investment in the university system. It provides the critical foundation for our high-quality academic, workforce development, and research programs needed to fuel Alaska's economy.

The governor's FY24 budget includes UA's requested compensation increases, \$12.7 million for the 2.75% pay increase. The \$6.5 million for the retroactive 3% for faculty and the additional 1% for staff in FY23 will be in the supplemental budget released in January. The budget also includes support for UAA to expand WWAMI to accommodate 30 medical students a year up from 20 students. There is also funding added to the Alaska Commission on Postsecondary Education (ACPE) budget for the University of Washington's increase associated with WWAMI. The budget continues to fund UAF's Alaska Center for Unmanned Aircraft Systems Integration (ACUASI) efforts to position Alaska as the nation's leader in drone production, education, and operations.

Stability in state funding coupled with the actions all of you are taking to grow student enrollment and expand industry partnerships is building our financial sustainability and confidence among students, partners, state leaders, and Alaska's communities both urban and rural.

The governor's December 15 budget represents a starting point. It does not yet include other Board of Regents priority requests, including unavoidable fixed costs (cyber security, rising property insurance rates, etc.), additional faculty and staff positions focused on student enrollment, and urgent deferred maintenance projects. These needs are critical. As the upcoming legislative session gets underway, we will continue to work with the Governor and legislature to advocate for these priorities. For budget details see the Office of Management and Budget FY24 documents.

It is important to realize, the state budget environment we are working in today is very different from last year. The price of oil is normalizing after the war influenced extremes and the substantial state COVID relief funds have been used.

What remains the same as last year, though, is the overwhelming workforce needs of every Alaska business. Our continued and collective efforts focusing on our current, potential and future students, and their positive experience in the quality academic and workforce programs across UAA, UAF and UAS and each of our community campuses is paramount.

Together we **Empower Alaska**.

Sincerely, UA President Pat Pitney