

Dear UA Colleagues,

I wanted to provide you an update as to where we stand on progress with our legislative appropriation for the FY18 operating budget.

Yesterday, I met personally with key legislators and reiterated that the university has already taken substantial cuts over the last three years and that, even at \$325 million proposed by the Governor and the House, we will need to make cuts to cover cost increases and investments in the areas of enrollment, research, workforce development, online program development and process automation. While it appears that there are active ongoing negotiations to close out the operating budget, substantial obstacles remain.

In the meantime, UA leadership is actively working on planning for university operations in the event the legislature does not pass an operating budget. We continue to hope that they wrap up the operating budget this week.

I will update you on next steps as soon as possible, and certainly if there is progress made on our budget. If the legislature ends its special session on Friday with no action on the budget, you can expect to hear from me over the weekend.

Many thanks for your patience and for your ongoing dedication to our mission.

Jim Johnsen