

James R. Johnsen, Ed.D.

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Dear UA Community,

I would like to update you on a number of important developments regarding the university's budget and our plans to prepare for a possible government shutdown.

First, thanks to a great deal of very effective advocacy, the legislative conference committee has tentatively agreed to a budget of \$322 million in unrestricted general funding (UGF) for the University of Alaska. While this represents a \$5 million UGF reduction from the current year, it's a significant improvement over the governor's proposed \$134 million cut. The budget must still be adopted by a final vote of the legislature and transmitted to Governor Dunleavy for signature. The governor has 20 days to sign the budget into law or exercise his veto power. I will be providing an update to the Board of Regents at its June 6 meeting on a number of different options depending on the appropriation we receive from the state for operating and capital budgets.

The constitution requires that an operating budget be passed by July 1, and without an appropriation that provides authority to expend funds, all state agencies are in uncharted legal territory.

Despite this uncertainty, I want to assure you that the university will continue to provide critical and core services even in the absence of an appropriation. We will be working closely with the governor's Office of Management & Budget, the Department of Law, and the chancellors and other university leaders to prioritize university operations if there is no state appropriation.

We currently are not planning to issue budget impasse-related furlough or layoff notices until after a Board of Regents special meeting tentatively scheduled for later this month. The university has delayed issuing furlough or layoff notices for a number of reasons including the fact that many university operations are self-supported during the summer, and many other university operations are core to our constitutionally mandated mission or are federally mandated and must continue even in the absence of an appropriation.

If budget uncertainty continues, those employed in areas related to safety, security, and our core constitutional mission of serving students/communities or in research/educational programs funded by external sponsors will not be issued furlough or layoff notices. Some staff and represented non-faculty employees may be affected after appropriate notice. Notices may be issued to broad groups of employees, 30-days in advance per regents policy, and then rescinded as detailed staffing plans are refined. An FAQ that addresses some of your most urgent questions can be found <https://alaska.edu/hr/budget-impasse-info/index.xml>

We hope the budget issues will be resolved before July 1, allowing us to avoid the disruption caused by issuing unnecessary furlough or layoff notices. In the meantime, the only responsible choice is to prepare for an organized approach to dealing with the possibility that no budget will be approved by July 1. I appreciate your patience and your ongoing commitment to our important mission.

You can expect to hear from me on an ongoing basis as more specific information becomes available.

Jim Johnsen

President, University of Alaska