

January 12, 2017

Dear UA Community,

As we begin the New Year, I want to welcome you back to campus. I trust you enjoyed time with family and friends over the holidays, and gained some much needed rest in preparation for the upcoming semester. I spent time reading, writing, and thinking. Oh, and shoveling an unprecedented amount of snow! I also have been on the speaking circuit, telling our wonderful story, ginning up support for our university, and working hard to prepare for the upcoming legislative session. I'm writing to give you an update on some important happenings we'll be facing together in the new year.

A century after the founding of the University of Alaska, 2017 promises to be a dynamic and critical year for our university. Even as we reflect back on our tremendous achievements over the past 100 years, moving forward we face a tough legislative session, which begins Jan. 17; important waypoints in the Strategic Pathways processes; the launch of our new privately-funded public awareness campaign; and, the celebration of our 100th anniversary as Alaska's university. I want you all to know that we are strong. Though we face challenges, we will build on our strengths to meet the state's needs and to realize the many opportunities that come from the state's support for the University of Alaska.

Legislative Session:

The important story we are telling across the state focuses on the critical role the university plays in meeting the state's needs and realizing our opportunities. During the legislative session, this will play out as we advocate for our university budget. The good news is that for the first time in three years the Governor has proposed an appropriation for the university that is the same as our current budget -- \$325 million. This signals the Governor's strong commitment to education in both funding for the university and for K-12 programs. But, in the face of continued downward pressure on the budget, we still must make a strong case for our proposed budget request in front of the legislative finance committees and the full House and Senate.

I have put forward, and the regents support, an aggressive framework for moderating the university's reliance on state appropriations over the next 10 years. The proposed framework puts the starting point for our state budget request at \$341 million this year and methodically decreases state support through 2025 while we close that gap through increased enrollment and tuition, operating efficiencies, philanthropic giving and other sources of income. Resolving our long-standing land grant deficiency is also a critical component of diversifying our long-term revenue mix.

Strategic Pathways:

Phase 2 options will be presented to the Summit Team on Jan. 18, and Phase 3 teams will begin their work at the end of the month.

The university instituted Strategic Pathways to better focus on areas of strengths and to operate more efficiently in the wake of budget reductions. Over the course of Phase I and Phase II, we've had some significant successes as well as challenges. Most notable are the increased cooperation among our campuses, increased efficiency and accountability through assignment of lead responsibility to a single campus in several areas, and support for reallocation to meet high priority state needs. By the end of this month, review teams, comprised of students, faculty, staff and community members, will have reviewed 15 of the 23 major academic and administrative areas in the university.

This effort isn't solely about reduced expenses – it's also about creating the best possible University of Alaska. Not every decision will generate savings, but every option is viewed through the lens of the core values: focus, access, scope, excellence, consistency, and fiscal sustainability.

As the process evolves over the coming months, updates can be found at www.alaska.edu/pathways. Take advantage of opportunities to submit feedback, stay tuned for in-person forums and community outreach events, and do your part in participating in this vision to truly develop our institution for the next 100 years.

Privately-funded Public Awareness Campaign:

This week, the University of Alaska launched a privately-funded public awareness campaign that highlights the important role we play in educating Alaskans to meet our state's workforce needs and to create our opportunities for economic development and diversification.

The objective of the campaign is to raise public awareness about the importance of the university for Alaska's future and, more specifically, the University of Alaska's commitment to the state's "65 by 2025" goal—an initiative that calls for 65 percent of working-age Alaskans to have some postsecondary education by the year 2025.

The campaign elements will include digital ads placed on major online news sites, social media advertising and radio commercials. All advertising will direct the user to a unique website at www.DriveChangeAK.org that outlines how Alaskans can pledge support for this goal, and sign up via Facebook to join the effort to raise awareness about the value the university brings to Alaska. The companion public relations campaign will focus on creating public forums, developing creative social media interaction, national media relations, and other interactive outreach efforts.

We operate in an increasingly competitive marketplace. Not only is it important that we create awareness about the university, it's important that we promote the university's value to Alaska as we build a prosperous future. The campaign invites students, parents, business leaders and the

public to join us in leading the change we need to prepare the future workforce our state will require.

UA's Centennial Anniversary:

I commend the University of Alaska Fairbanks Centennial committee for launching UA's 100-year celebration with a beautiful bang – the greatest Sparktacular New Year's fireworks celebration to date. This landmark celebration is the spark needed to energize our efforts to grow and guide the university for the next 100 years. More events and updates for the centennial celebrations can be found at <https://uaf.edu/centennial/>.

Fundamental to all these undertakings is the passion we all share for our core mission, our vision, our story, and our role in building the future of Alaska. The Board of Regents, who share this passion with us, will be holding its annual retreat this month. I am excited about this opportunity to share our plans for the university's future with them and to hear their ideas for how we can move forward. The next step will be to engage our key internal and external stakeholders for views on and support for strengthening and refining those plans. I look forward to talking with you directly in the coming weeks on this important work for our university.

I welcome you all back to campus and wish each of you a very Happy New Year,

Jim Johnsen