

**UNIVERSITY OF ALASKA**

July 22, 2019

TO: Chancellors  
FROM: Jim Johnsen  
SUBJECT: Budget Plans  
COPY: VP Layer, VP Rizk, CFO Dosch

As a follow up to today's Board of Regents meeting, the Regents have asked for a presentation at their July 30 meeting on two options for university organization in order to provide programs and services after a major budget cut (\$136 million, UGF) from the state. The options are:

Current UA, lead campus

- Distribute a UGF reduction proportionately to each university and statewide; each unit to reduce into its unique "core" as described in Strategic Pathways.

New UA

- Single accreditation with shared courses and services.
- Designed to "fit" our enrollment and budget.
- Delivers education through a single "college" for each major field serving the state.

My office will prepare slides for the New UA option for discussion with you during a meeting Friday morning (TBD). Although I suspect our effective reduction will be well in excess of this target, please review and update your plans submitted in June based on \$64 million reduction for a \$136 million reduction, as follows:

**\$136 million reduction UGF**

- UAA \$50 million
- UAF \$68 million
- UAS \$10 million
- SW \$8 million

As you identify how you would propose closing the above UGF reductions with UGF funds within your university, please include in your analysis non-UGF impacts on tuition, research grants and contracts, and other revenues. Regarding tuition, please assume a 10% rate increase effective Spring semester 2020. One time funding may be considered only for purposes of "bridge" for Fall semester due to delayed implementation of reductions.

Please provide this information by 5:00 p.m. Thursday, July 25<sup>th</sup> so we can discuss Friday morning and share this with the Board for its upcoming meeting on July 30<sup>th</sup>. This will be a public document and a public discussion. The information needs to include specific program reductions. I know the deans have been having discussions over the last few months on opportunities for collaboration across the universities as well as ideas for innovation. Please include this information in your response as well.

As we discussed several times, most recently in June, your suggested program/unit cuts should be based on the thinking you did a couple months back on your core mission and what might be considered peripheral to that mission, UA values, the Board of Regents' goals, the 2040 vision, the principles shared with the Board today, the lead campus concept from Strategic Pathways, and the needs of the state.