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Thursday April 23, 2015

University of Alaska Announces FY16 Leadership Furloughs

UA President Patrick K. Gamble and Chancellors Tom Case, John Pugh and Brian Rogers announced that system officers, senior administrators and non-represented academic leaders will receive furloughs in FY16. This will be a first step in reducing personnel costs in the University's budget to meet an expected state funding shortfall. The planned furloughs, which will affect 167 University staff and non-represented faculty serving in senior leadership roles, is expected to save around \$600,000. The furloughs will be made as follows:

Officers: 10 days

Senior Administrators: 7 days

Non-represented academic leaders: 5 days

The University of Alaska system has 14 officers, 103 senior administrators and 50 non-represented academic leaders.

Further cost-reduction measures will be announced as the University gains greater clarity on its final budget number. Chancellors on each university campus have been working on academic prioritization and review processes to guide their decisions on which programs and how many staff positions will need to be cut. UA's Statewide staff office is also reviewing its structure and operations for savings, efficiencies and core functions.

UA will not know the extent of this year's reductions until the legislature finishes its work and the governor signs off on a final budget, but according to President Gamble, "The entire university system is looking at ways of reducing costs while continuing to provide quality programs and services to our students. In light of support from students for the five percent tuition increase approved by the Board of Regents in February, this companion effort is appropriate."

This will be the second year of reductions to UA's budget. In FY15, the University absorbed a \$17 million real reduction in state support, coupled with \$11 million in fixed cost increases. Gamble commented, "We prevailed in FY15 through a number of efforts such as reducing travel, delaying recruitment or eliminating vacant positions; limiting annual leave cash-in; and

downsizing facilities and reducing leased space. Now we are running out of those sources to find savings.”

Additional information on how the furloughs will work is available on the SW Human Resources website (www.alaska.edu/hr/hr-procedures/furlough/index.xml).