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DATE: July 21, 2025

TO: Charlene Stern, Interim Provost and Executive Vice Chancellor

Julie Oueen, Vice Chancellor for Administrative Services

Laura Conner, Vice Chancellor for Research

Bryan Uher, Interim Vice Chancellor for Rural, Community & Native Education

Owen Guthrie, Vice for Student Affairs & Enrollment Management

Tom Hough, Executive Director of University Advancement

FROM: Daniel M. White, Chancellor

RE: FY26 Budget Planning Guidance – Extended Cost Containment Measures

In FY25, UAF implemented a series of <u>cost containment measures</u> to ensure we meet UA system-wide targets for the unreserved fund balance (UFB) by the end of the fiscal year, which was on June 30, 2025. I am pleased to report, UAF is closing out the fiscal year and expects to meet those targets thanks to the hard work you have done to reduce expenditures and increase revenues during this uncertain time.

In May, I extended these UAF-internal cost controls through July as a prudent way to ensure UAF had adequate liquidity to manage the uncertain financial landscape. Now that the State budget outcomes have been incorporated into FY26 start-up operations, several UAF leaders have asked for guidance beyond a month-to-month approach to improve planning for the academic year ahead.

The federal climate is still quite dynamic. Therefore, I have asked all deans and directors for planning scenarios, should a large-scale reduction or a significant change to facilities and administrative (F&A) rates go into effect. These planning scenarios are being submitted to VC Queen and will be shared with the incoming Interim Chancellor, Mike Sfraga.

Because the federal climate remains uncertain, and pending any future redirection from Interim Chancellor Sfraga, I am extending the cost containment measures already in place through FY26, i.e. a 60-day hiring delay on unrestricted positions, restricting non-essential travel, contractual, and commodity expenditures, and elevated approval by the respective VC for essential contractual services >\$100,000, when funded by unrestricted sources.

Moving forward, this UAF guidance will be reviewed at the discretion of Interim Chancellor Sfraga. Information will continue to be provided as it is available. Thank you for all you do for UAF.

CC: Amanda Wall, AVC Financial and Business Services Jason Theis, Director, Finance and Accounting Briana Walters, Director, Management and Budget

