

June 3, 2015

To: UAF employees
From: Chancellor Brian Rogers
Re: FY16 State of Alaska and UAF budget

This week, the State of Alaska mailed layoff warnings to thousands of state employees. Those notices were necessary because the state does not yet have a fully funded FY16 budget.

As noted in the message yesterday from statewide, President Gamble and the three chancellors have decided that, for now, the university will not be issuing similar blanket layoff notices. We have multiple revenue sources, in addition to state funding, so have more flexibility in managing budget uncertainties than the state does.

That decision has allowed us to turn our attention to more certain budget challenges. We expect that the Legislature will eventually pass an operating budget, and that when it does, it will include cuts to the university. While the state budget is not final, we have a reasonably solid estimate for university funding levels. That estimate indicates that UAF will need to make about \$20 million in cuts next fiscal year to account for reduced state funding and increased fixed costs. That amount does not include compensation increases, which is still being debated in the Legislature.

On Monday, I met with UAF's core cabinet and made decisions on how those reductions will be allocated throughout UAF. The percentage that each unit and their departments will cut varies across campus, however UAF-wide, these spending reductions amount to nearly 11 percent of our state revenue and more than 7 percent of all unrestricted funds.

Following is a breakdown of the reductions in each area:

Chancellor's office and eLearning - \$363,000
Provost - \$7.7 million
Centrally managed accounts - \$1.7 million
Office of Information Technology - \$482,000
Rural, Community and Native Education - \$2.4 million
University and Student Advancement - \$1.8 million
Administrative Services - \$3.4 million
Research - \$2.1 million

Vice chancellors now have the information necessary to begin making their final decisions on how to balance their budgets. They will send those decisions to my office in the next couple of weeks. Many of you will also begin receiving more information directly from your unit leaders. During the last half of this month, I'll send another memo offering more details on the effects of these cuts to the people, programs and services at UAF.

I want to thank each of you for your patience. The extended state political negotiations have added a new level of uncertainty to our yearly budget process, on top of expected funding reductions. I know that has been difficult. I hope that moving forward with our budget plans for next year will mitigate some of the ambiguity and allow us to focus on being the best university we can be with the resources we have. I appreciate each of you for the work you do to make that happen.