



CHANCELLOR'S OFFICE

University of Alaska Fairbanks

320 Signers' Hall, P.O. Box 757500, Fairbanks, Alaska 99775-7500

Michael Powers, Interim Chancellor

907-474-7112

907-474-6725 fax

uaf.chancellor@alaska.edu

www.uaf.edu/chancellor/

Date: November 17, 2015

To: UAF employees

From: Michael Powers, Interim Chancellor

Re: FY17 budget planning underway

This week, UAF is beginning the budget planning process for fiscal year 2017. We are approaching that process a little differently this year:

- The provost and vice chancellors will work with their unit leaders to develop proposed budgets for FY17.
- They will submit their budget proposals to the Planning and Budget Committee in January.
- The Planning and Budget Committee will assess those proposals and their effects on the university as a whole, and make recommendations to the Chancellor's Cabinet in March.
- Cabinet and the chancellor will work from April through June to make final decisions.

As in past years, many things about our revenue picture are unknown at this point. The governor won't release his state budget proposal until December, and the Legislature doesn't adjourn until the spring. What we do know is that the state budget is likely to be extremely tight, just as it was last year. All state agencies are being advised to plan for reductions in FY17.

I have asked the provost and vice chancellors to plan for a range of budget scenarios. Our current estimated budget gap is about \$26 million, however our actual budget gap could be larger or smaller, depending how much state funding we receive. We may also take a more varied approach to the types of cuts we make, opting for both strategic vertical cuts and across-the-board reductions.

Once the governor releases his version of the state budget, we will have additional information and can adjust our planning efforts accordingly. The same is true once we have our final budget from the Legislature. If this year is similar to last year, we can also expect our budget outlook to vary significantly throughout the legislative session.

I will share new information, as I have it, via memos, the Cornerstone employee newsletter and online at the Office of Management and Budget website: <http://bit.ly/uafomb>. I also plan on holding a forum on Dec. 4, where we will share the most current information available.

As in past years, I also encourage employees, students and members of the public to share their cost-saving ideas via the OMB website. I know uncertain budget climates are stressful. Thank you in advance for your patience with the changing nature of the budget scenario and for the work all of you do each day. In my short time as interim chancellor, I have been impressed by the dedication of our faculty and staff. This commitment gives me confidence that our campus leaders and the Planning and Budget Committee, with your help, will craft a budget plan that will allow us to continue to provide excellent teaching, research and service to the people of Alaska.