

January 16, 2019

Dear Colleague,

On Friday January 18, I will update our Board of Regents on a number of the university's important issues, including the FY2020 budget. Because the budget is an issue of importance to all of us, here is where we are today along with some foreshadowing of what will come in the near future.

The university's FY2020 operating and capital budget request was approved by the Board of Regents on November 8, 2018. The budget then went to the Governor for review and referral to the Legislature.

UA's operating budget request included \$358.5 million in state funding for the following:

- \$327 million in continued funding of FY2019 base budget
- \$31.5 million to fund compensation increases, Title IX staff and programs, strategic initiatives, facility maintenance, and a variety of additional "fixed cost" increases

UA's capital budget included \$57 million in state funding for these items:

- \$50 million for deferred facility maintenance
- \$5 million for the USArray
- \$2 million for digital fabrication labs

Before he left office, former Governor Walker prepared his budget request, which included state funding for the university in the amount of \$348.7 million in operating funds and \$10.0 million in capital funds. While not exactly what the r

House is still resolving organizational leadership issues. In the meantime, we will continue to push for a funding increase because it's what we need to serve Alaska's substantial unmet higher education needs. We will keep you informed on what's happening and how you might help as we press forward together in support of our university and, as a result of our work, in support of our students and our state.

Thank you.

Jim Johnsen