

September 27, 2016

Dear Colleagues,

In the midst of the excitement and promise of a new semester, I want to take a moment to address several current issues of importance to the University of Alaska.

The Board of Regents at its September meeting made tough decisions, good ones in my view, about the direction of Strategic Pathways, our budget, accreditation and other important issues affecting the university.

Strategic Pathways

We have two big forces driving the Strategic Pathways process. One is the very tough budget

approximately \$10 million of new revenue.

Let me assure you that we are not looking to students alone for helping balance our budget. A tough, but unfortunately necessary likelihood is that there will be no faculty or staff increases in FY2018. We not only have the Governor's guidance of a \$16-32 million cut to manage, but we are under clear intent language from the legislature not to negotiate salary increases with our union represented employee groups. Unfortunately this is another one of those hard choices we must make to ensure that as much of our budget as possible is going into the student experience. I am committed to making sure that we provide market competitive compensation and will pursue adjustments as conditions allow.

Accreditation

The Regents agreed with my recommendation to postpone-for the time being-any further move toward a single accreditation. Many of the benefits of "oneness" I believe can be accomplished through the Strategic Pathways process, and many of the barriers to collaboration currently in the system are not a result of accreditation, but can be overcome through better communication, and more focus on creating shared student experience throughout our system. The Regents and I are keeping the door to a single accreditation very much open, however, against the contingency that increased collaboration and standardization-where they make sense-do not occur quickly enough. In addition, several Regents have requested a "one university" organization chart, with associated cost savings, to be presented to them in November.

UAF Engineering Building

I am pleased to announce that the Board approved a \$37.5 million bond package to complete the University of Alaska Fairbanks' engineering building. Originally funded in part by the legislature in 2011, we have not received the funding required to complete the facility. The bond sale is expected to progress quickly, and construction has already resumed to complete the state-of-the-art teaching and research facility by December 2017.

In Closing

The dual pressure of the budget cuts and the need to strengthen our service to Alaskans requires that tough decisions be made. We are making those decisions in an open, consultative, and strategic way-with the needs of our students, our faculty and staff, and our state utmost in mind.

These are very difficult times, but I know that WE will work through the tough choices and at the end of the day, we will be a stronger, more focused University of Alaska.

Many thanks for your patience, your support, and above all else, your abiding commitment to our students' success.

Sincerely,
Jim Johnsen