

Jim Johnsen / State of the University of Alaska

February 28, 2020

You may be familiar with the several mascots across the UA system. The Seawolf at UAA, the Nanook at UAF, Spike the whale at UAS, and the blue dragon at MatSu College. All strong and rightfully proud. We do not have a mascot for the UA system, but if we did, it should be that enduring symbol from our mythological past, the Phoenix, the bird of fire, rising anew, strong, bright, and resilient from the ashes of a most challenging 2019.

A 2019 with an unprecedented state funding cut that was enacted into law on July 1st, a cut that withstood legislative attempts to override, a cut that would be in place today but for the Compact Agreement negotiated between the university and the Governor on August 13. Had that cut gone into effect, we would be attending a memorial service here today rather than recommitting ourselves to serving the state's need for a strong, resilient university system.

Still, our budget did get cut. Instead of 41 percent in a single year, on top of 15 percent we already took starting in 2015, we negotiated a 21 percent cut spread over three years.

But just as the Phoenix rose from the ashes with life and hope and light, with resilience, so will the University of Alaska. And even after the academic and administrative reviews now underway, and program reductions and discontinuations to be decided on this spring by the Board of Regents, we will continue to serve our important mission for the people of Alaska. (Speaking of our Board, I am pleased that Regents Hughes and Garrett **are** with us today.)

That mission of service to our state includes meeting our need for mmittingf(f)5(ro3p 0 612 7ne,62(44nBTs

3 years an associate's degree or in 6 years for a baccalaureate. So, from 100, after 10 years, we get 7.

And that's not all. Since our enrollments have been in decline. Part of that is a national trend. Another is that our economy has lots of high paying jobs that do not require higher education. This is increasingly even the case in high tech companies, where competencies weigh more than degrees. Another is that we have not yet developed the seamless processes that our students – young and old – have come to expect in this digitally enabled world. And finally, our budget woes certainly don't help.

I share these numbers with you not so you run to the doors in desperation, but to appreciate the huge challenge we face, and to thank all of you for your courage and your commitment to this worthy cause for Alaska's future.

Our plan going forward clearly must address the budget cuts. Here's how.

First, we are going to drive revenue through increased enrollment and the tuition that follows. We are working hard in DC to increase funding for research in areas ranging from the environment and behavioral health to national security. We are strengthening our partnerships with business and industry. We are in the early stage of our first ever statewide philanthropic campaign. And as I noted earlier, we are stepping up recruitment and marketing, getting the word out there about just how well the university helps our students realize their dreams.

Second, at the Board of Regents' direction, we are examining both academic programs and administrative services for cost savings. Those reviews are being done at each university and at Statewide. When the universities provide their reports on March 23, we will review them at the system level, discuss them with the Board's Academic and Student Affairs Committee, and then make recommendations to the Full Board in early June.

The programs will be reviewed and prioritized according to criteria established by the Board. Quality, cost, demand, availability of alternatives, and alignment with the Board's five strategic goals, which are: economic development, research, workforce development, educational

community celebrations, opportunities for study abroad and remote site research, internships, rock climbing and eSports, and much more.

Our universities are affordable, even considering the recent tuition increase, among the most affordable in the nation. The ACPE Almanac reports that our average tuition is the third lowest of any state in the nation, the percentage of student debt is the second lowest in the nation, and the share of our total cost paid by our students is the fifth lowest in the nation. And as we speak, each of the universities is taking a close look at tuition rates with an eye to the possibility of different rates across the system, some perhaps increasing while others possibly decreasing, including what I hope will be a sizeable tuition reduction at the community campuses.

Our universities provide more access to higher education than any other university in the nation. Think about it, our southern-most campus in Ketchikan is 1,300 hundred miles from our northern

The vision for UA in 2040 is for a seamless higher education system, a network if you will, with access for students and faculty and staff no matter where they are in their lives in terms of their physical location, their age, their interests and their passions to all of the high quality opportunities the university offers for discovery, learning, and service.

As I look again at the specific initiatives we developed for UA2040, I am excited for our future. The Center for Northern Security. Alaska Center for Teacher Excellence. National Microgrid Energy Lab. Center for the Blue Ocean Economy. Center for Excellence in Public Service. And a whole lot more. Great ideas where we have unique advantages and leadership that we can build on for national and international preeminence.

Unique advantages in four key areas, which considered alone are compelling, but which taken together will lead the world. Resource development, we are a state rich in resources, many sustainable for centuries to come. Global location, as Billy Mitchell said famously in 1935, who holds Alaska holds the world. Environment, we live here, we care, we love our lands, water, air. Finally, the Alaska Native cultures and people who have lived and thrived in this country for 15,000 years, with a holistic way of understanding the relationships among people, wildlife, and the environment we all can learn from and put into practice in our own lives. And, by the way, nine of the top ten private companies based in Alaska are Alaska Native!

As we build a university and a state based on these four themes, pursuing our inspiring long term vision, we will provide a powerful university for students, faculty, business partners, alumni, and donors for many years to come.

Speaking of donors, I am pleased to report that since 2017, the university has received \$105

I had the pleasure of congratulating her in May 2018 as she crossed the commencement stage to receive her diploma. She graduated with a stratospheric GPA, won the award for the top woman graduate, and finished up her MSW at UAA last year.

Were it not for universities in Fairbanks and Anchorage, Erica would not have had the ability to transition from her former career to a new one. Without the far sighted support of her union and numerous donors, she would not have been able to afford returning to school to finish her degree. And now Alaska has a well-educated, deeply committed, and appreciative social worker serving in a very high demand profession in our state.

We can all learn from Erica

Thank you all for believing that Alaska Can. With the brains in your heads and the feet in your shoes, and I humbly would add the hearts in your chests, I am confident that Alaska Can and Alaska Will.

Thank you.