

February 3, 2017

FY18 Budget update

This week, university leaders received preliminary targets for the FY2018 budget.

Our state continues to face decreased revenue as a result of low oil prices. Gov. Bill Walker's proposed budget includes \$325 million for the University of Alaska, which is the same funding level as our current fiscal year. We were pleased that the governor recognized the value of higher education in his proposal and are hopeful that the Legislature will do the same in their budget deliberations.

However, even if we do receive flat funding, UAF will still need to reduce its spending next year, because the costs of doing business increases each year. We anticipate that units will need to trim their general fund budgets by about 5 to 8 percent.

It's important to remember that the Legislature has just started its work. It will be several months before we have solid state funding numbers. In the meantime, these preliminary targets will allow units throughout UAF to begin planning for next year.

Many of you will have the chance to offer input as part of your unit-level budget planning. In addition, if you want to share your input with the UAF leadership team, don't hesitate to do so via our online form: <http://bit.ly/ombfeedback>. We read and consider each suggestion. If you want to sign up to receive legislative updates from the university's government relations team, you can do so by visiting www.alaska.edu/state/report/.

— Dana Thomas, UAF chancellor