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UNIVERSITY  
of ALASKA  
*Many Traditions One Alaska*

RE: Governor Dunleavy signs FY24 Budget with UA Base Increases to support an Empowered Alaska

June 19, 2023

Dear University of Alaska Community,

Today, Governor Dunleavy released the FY24 State of Alaska Budget, which completes the legislative appropriations process. We appreciate the Governor's support of the university system and our continuing work to Empower Alaska.

The final state appropriation for UA is just over \$308 million; combined with federal receipts and other revenues, our FY24 operating budget stands at just under \$884.8 million. This budget is good news for the state and our system, continuing fiscal stability. A strong university supports a strong state economy; in fact, this February, the McKinley Research Group released a report showing that in FY22, our programs and services resulted in [\\$1 billion in total economic activity across Alaska](#).

Thanks to our ongoing stability and the work of our faculty and staff, UA's enrollment is growing. Through our workforce development and high-quality academic programs, we are increasing the pool of well-qualified Alaskans ready to work throughout Alaska. Importantly, 80% percent of UA graduates stay and work in Alaska.

**Key Highlights in Educational Programs:**

- UAA's WWAMI medical program will receive a \$48,000 state investment to support future growth. The funds allow the program to grow by 50% in the fall of 2025, and \$2 million in state capital investment will help support renovations and expansion of lab and clinical space.

**Key Highlights on Investment in People:**

- **Our Students:** A stable budget provides ongoing certainty for UA students. Student enrollment has rebounded, and programmatic investments continue to increase demand for a high-quality UA education. Based on early data, enrollment is estimated to increase by 2-5% this year, and newly admitted UA Scholars and first-time freshmen are on track to increase by even larger numbers.

- **Our Faculty and Staff:** I'm thrilled to report that the budget includes our requested funds for faculty and staff compensation increases for FY23 and FY24, with \$19.6 million in state money to support those increases. Our employees make it possible for us to achieve our mission, so I'm especially grateful that these requests were honored.

**Key Highlights in Infrastructure Investment:**

- The Alaska Center for Unmanned Aerial Systems (ACUASI) will receive a \$10 million investment in their exciting, ongoing work to research, develop, test, and eventually implement commercial drone operations.
- UAS will also receive \$3.6 million in capital investment to address important deferred maintenance projects.

There were some vetoes to funding in this budget, including most deferred maintenance capital projects and \$1.3 million in academic priorities supported by the legislature.

Deferred maintenance, renewal, and repair remain top priorities. There are opportunities in the coming weeks for university leadership to work with the Governor and his team to develop a long-term strategy for addressing academic program priorities and deferred maintenance projects across the system.

In sum, this budget represents the continuation of a solid fiscal foundation for our three universities and their community campuses.

Thank you all for your continued focus on student success and research excellence with a focus on empowering Alaska's future.

Sincerely,

Pat Pitney  
President  
University of Alaska