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June 16, 2022

TO: University of Alaska Community

FROM: UA President Pat Pitney

RE: Update on the University Budget and CBA Negotiations

I'm writing to provide a brief update on UA's budget and the status of negotiations.

The university system's FY23 base operating budget of \$291 million, as appropriated by the Legislature, includes a base increase of \$9.9 million for fixed cost increases including insurance premiums, IT security and higher utility costs and a 2% compensation increase for non-represented staff, local 6070 (crafts & trades), and firefighters.

Resumption of negotiations after implementation of the Best and Final Offer does not mean that the university is reverting to the expired CBA. That would serve no one well and would only create confusion. Since May 16, we have been and will continue to operate under the implemented terms of the BAFO, including the 14 articles which were tentatively agreed to prior to impasse, until we reach a comprehensive agreement with UNAC. You can find all 22 articles in the 2022-2024 Collective Bargaining Terms document available on the [University of Alaska Labor Relations UNAC Faculty website](#).

Despite some areas of agreement, the parties remain far apart on compensation and have significant differences on several other terms. However, I have every expectation that we ultimately will reach an amicable and comprehensive agreement to replace the terms of the BAFO. Those terms also largely maintain the status quo with no "take-backs," and provide some significant improvements for bargaining unit members over the existing CBA's terms. To see the terms of the BAFO (all changes are shown as redline) go to [UA Best and Final Offer Collective Bargaining Terms](#). For further information on the terms of the BAFO see [FAQs](#) on the [Labor Relations FY23 Bargaining website](#).

The CBA between the University of Alaska and United Academics - Adjuncts (UNAD) expired on February 28, 2022. That CBA remains in effect during negotiations to the extent required by Alaska law. The parties have been negotiating since March and have tentatively agreed upon seven of the 20 articles. The university will continue negotiating in good faith with UNAD. Negotiations did not result in an agreement being submitted to the legislature before the end of the 2021-2022 session. However, when the parties reach agreement we will seek a supplemental appropriation for the monetary terms when the Legislature reconvenes in January 2023.

I have done, and will continue to do, everything in my power to secure regular, reasonable, funded compensation increases for all university employees. However, UA will only agree to terms that can be supported by the Board of Regents and the Department of Administration, be funded with a Legislative appropriation, and that will avoid a gubernatorial veto. A package that is too rich might not get appropriated, or worse, might get appropriated without additional funds to pay for the increases. For example, if new funding was not provided for the terms of the last UNAC pre-mediation proposal, that would amount to another cut comparable to the \$70 million Compact we've worked hard to overcome over the last three years. The impacts on staffing, program offerings, and services that would result are simply not sustainable.

In closing, I want to emphasize that the university remains committed to finding common ground and reaching final agreement with UNAC. Reaching agreement on a new CBA requires that both parties practice the art of the possible. Thank you for your patience while this process plays out, and for all that you do for

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