

Submitted by: Assembly Chair Begich
Prepared by: Assembly Office
For reading: March 31, 1998

ANCHORAGE, ALASKA
AR NO. 98-106

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY ENDORSING THE
BOARD OF REGENT'S REQUEST THAT THE UNIVERSITY OF ALASKA'S OPERATING
AND CAPITAL BUDGETS BE FULLY FUNDED TO INCLUDE DEFERRED
MAINTENANCE FROM THE UNDISTRIBUTED EARNINGS OF THE PERMANENT FUND**

WHEREAS, the community is aware that higher education for our students provides
a source of wealth for our State; and

WHEREAS, the University of Alaska is essential if Alaskans are going to determine
their own destiny, instead of relying upon experts from afar who are not apt to have the
long-term best interests of Alaska in their hearts; and

WHEREAS, if the University does not receive increased State appropriations, sports
efforts and fine arts offerings will be lost, outreach to Alaska Natives will be heavily
curtailed, and there will be a general reduction and shrinking of the University to a work-a
day mechanical school; and

NOW, THEREFORE, the Anchorage Assembly resolves:

Section 1: That the Assembly endorses the Board or Regents request that the
University of Alaska's operating and capital budgets be fully funded
to include deferred maintenance from the undistributed earnings of
the Permanent Fund.

Section 2: That, upon approval, copies of this resolution be forwarded to the
House and Senate Legislative Finance Committees.

PASSED AND APPROVED by the Anchorage Municipal Assembly this ____ day
of _____, 1998.

Chair

ATTEST:

Municipal Clerk



*Copied
for all
members*

Board of Regents

UNIVERSITY OF ALASKA

3 March 1998
Via Fax & Post

Mr. Mark Begich, Chair
& Members of the Anchorage Municipal Assembly
PO Box 196650
Anchorage, Alaska 99519

Re: Funding the University of Alaska

Dear Friends,

Enclosed is a copy of the Resolution passed by the Board of Regents on 20 February 1998 asking that the University's operating and capital budget be fully funded including the long-neglected deferred maintenance problems everywhere in our billion dollars' worth of buildings. We are trying to get as many local government bodies as possible to endorse our proposal that this funding come, as necessary, from the undistributed earnings of the Permanent Fund. This year the amount available is \$900 million.

For a long time now the legislature has dumped these surplus earnings--after dividends and inflation-proofing--into the corpus, thus making an ever enlarging "golden calf," seemingly attended by a horde of worshipers.

A different and better source of wealth is the higher education of our students. It is only cultural awareness, enlightenment and intellectual prowess which can create and keep a great society. The University of Alaska is essential if Alaskans are going to determine their own destiny, instead of relying upon experts from afar who are not apt to have the long-term best interests of Alaska deep-down in their hearts.

If the University of Alaska does not receive significantly increased state appropriations, I foresee the dismantling of our sports efforts, the elimination of our fledgling, but exciting, fine arts offerings, and the general reduction and shrinking of the University to a work-a-day mechanics' school. Reaching out to Native people who desperately need the ministrations of the University will be heavily curtailed. What we have striven to build up over the course of the last 38 years will be dashed away.

As the university contracts, the tuition income, which we have worked so hard and successfully to increase over the past seven years, will diminish as enrollments decline. The University of Alaska offers less different kinds of courses than any comparable university in the western part of the United States. Meagerness will turn into barrenness. It is in Alaska's best interest to offer more courses with more variety to induce more Alaska young people to attend

Mr. Mark Begich, Chair
& Members of the Anchorage Municipal Assembly
3 March 1998

the University of Alaska and spend their lives here in creative and happy work. The present trend is quite against such a desirable outcome.

The towns of Kodiak, Ketchikan, Kenai and Valdez make annual monetary contributions towards the operation of the University branch in their jurisdictions. From time to time, Sitka has made significant donations. Anchorage could do that too. Spending the surplus earnings of the Permanent Fund may be easier! However, one does not exclude the other.

If the Municipality of Anchorage could offer its endorsement of our resolution in the near future while the legislature is still amenable to influence and persuasion about this year's budget, it would be an extremely helpful thing for a better university.

As you see from the enclosure about a public information campaign, on 20 February the Board of Regents authorized the taking of the University's case to the people of Alaska. Hopefully, they will exert beneficial influence on the leaders of state government.

The help of you and your colleagues would be very much appreciated. I stand ready to meet and confer with you if you consider that useful.

With thanks and kind regards, I remain,

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'Joe', written in a cursive style.

Joseph R. Henri, Member
UA Board of Regents

JRH/df
Enclosures



RESOLUTION REGARDING STATE FINANCES

WHEREAS, Alaskans value education, and have always ranked it among their top priorities for state funding; and

WHEREAS, ironically, that deep commitment to education has been frustrated for the past decade. With declining state revenues, it has been virtually impossible to fund the state's education needs at the levels necessary to guarantee a vital, healthy, growing educational system; and

WHEREAS, there is now an opportunity to change that situation, an opportunity made possible by the fact that the Permanent Fund earns much more money each year than it takes to pay dividends and inflation-proof the funds. This year alone, those surplus earnings total \$900 million;

NOW, THEREFORE BE IT RESOLVED that the Board of Regents of the University of Alaska urges the Alaska Legislature to reallocate enough surplus earnings of the Permanent Fund to fully fund the budget request of the Board of Regents and the deferred maintenance accounts of the University of Alaska and other state agencies; and

BE IT FURTHER RESOLVED that this resolution be appropriately engrossed and conveyed to members of the Alaska Legislature and the Honorable Tony Knowles, Governor of the State of Alaska, with a copy to be incorporated in the official minutes of the February 20, 1998 meeting of the Board of Regents.

Michael P. Kelly, President
Mary Jane Fate, Secretary
Michael J. Burns
Sharon D. Gagnon
Annette M. Nelson-Wright
Lew M. Williams, Jr.

R. Danforth Ogg, Vice President
Chancy Croft, Treasurer
Elsa Froehlich Demeksa
Joseph R. Henri
Joe J. Thomas
Jerome B. Komisar, University President

17. Approval of Public Information Campaign - 20 February 1998

PASSED

“The Board of Regents authorizes and directs a grassroots program of public relations and enlightenment between the University of Alaska and the people of Alaska under the aegis of the Office of the Vice President for University Relations with every university agency and employee fully cooperating and available to help in the campaign efforts, for a sum not to exceed \$200,000, raised from private funds. The work will begin immediately and continue through calendar year 1998. This motion is effective February 20, 1998.”