



Office of the President

NORTHERN ARIZONA UNIVERSITY

April 17, 2020

Dear NAU Community,

As we make our way through these uncertain times, I continue to be inspired by your resilience and strength. Our community's response to the ever-changing challenges presented by the pandemic has been remarkable. Over the past month, we have focused our efforts on ensuring the health, safety, and well-being of our Lumberjack community.

Together, we have worked diligently to ensure the highest level of service is provided to our students and make decisions that are in the best interest of protecting the health and safety of all members of our community. We have leveraged the resources and expertise at NAU to serve broader communities and our state, and I am grateful for your incredible effort and creativity in finding unique ways to serve. This commitment to our students and community is reflective of the true Lumberjack spirit.

The NAU campus remains open for business this spring, even as our courses are being delivered online, providing services to students in Flagstaff and throughout the country. During the last recession, NAU reduced statewide locations and expanded online education offerings. We have further increased online courses and programs during this last year and will continue to provide broader student access to higher education via these online offerings during this uncertain time.

Our intention and plans are focused on resuming normal operations in the fall, including offering full services at our mountain campus and in-person delivery of classes. We also will continue to plan and be prepared for a variety of alternate education delivery scenarios following the health and safety guidelines of the CDC and direction from our state government.

As with other institutions of higher education across the country, we are carefully monitoring the COVID-19 situation and evaluating how it will affect the university, both in the short- and long-term. We are developing various budget options and will ask a 2020 COVID-19 Recovery Workgroup, representative of our university, to convene over the summer to continue to advise our planning efforts as information evolves and impacts become clearer. Careful planning of our operations, review of financial scenarios in the wake of COVID-19, and working closely with state and federal officials on stimulus fund implementation will inform these efforts. We will consider all options during these conversations, as budgets will be constrained and will require difficult decisions.

The membership of the 2020 COVID-19 Recovery Workgroup is below:

- Bjorn Flugstad (Chair)
- Michele Benedict
- Cindy Chilcoat
- Pete Fulé
- John Georgas
- Bill Grabe
- Ramona Mellott

- Daniel Palm
- Gayla Stoner
- Steve Vedral
- Gioia Woods
- Joseph Wright

This purposeful planning is not new for NAU, but certainly takes a heightened level of importance at a time when there are still so many unknowns in terms of future enrollment levels, mode of instructional delivery, and the status of future campus events. While we have been reviewing our current financial situation and adjusting to the changing conditions, we will be financially stretched as we move into the next academic year. Current estimates of potential financial impact could range from \$30 million to \$100 million and will depend on many factors, including those noted previously related to enrollment and campus event status.

With input from our working group, NAU will continue to be measured in our actions and take steps in the best interest of our students and their families who have entrusted us with their education and our employees who are dedicated to our university and our communities. NAU is the largest employer in northern Arizona and we take that responsibility seriously. We will take a responsible approach to managing our budget as we have done previously in response to changing financial conditions. Those prior actions, such as outsourcing service functions, dedicating one-time state investments over the past four years for one-time capital projects rather than ongoing operations, and postponing hiring decisions, provide a foundation from which to build.

We will keep our university community apprised as the FY21 budget and other plans for the coming year continue to develop.

Once again, thank you for your support and commitment to NAU. Like so many universities and communities across the country, we have not been immune to the impact of COVID-19. However, NAU continues to make significant and important contributions to the local, state, and national response to the virus.

Sincerely,

A handwritten signature in black ink, appearing to read "Rita", with a stylized flourish extending from the end.

Rita Hartung Cheng
President