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## **ABOR President's Year-end Report Highlights Significant Accomplishments in Growth, Access and Engagement**

Strong progress in higher education attainment goals, access and engagement were highlights of Arizona Board of Regents President Eileen Klein's [year-in-review report](#) at the board meeting this week.

The university system had an increase of almost 900 bachelor's degree awarded from FY13-14. Enrollment of undergraduates also increased significantly by 8,000 undergraduate students from FY14-15. Also during that time, total enrollment grew by 9,200 students. Northern Arizona University also nearly doubled the number of graduate students in health programs at the Phoenix Biomedical Campus. The six-year graduation rate has increased nearly two percentage points and the freshman retention rate also is increasing.

The universities also had growth in student diversity, including ASU marking its most diverse student body to date, with 34 percent from underrepresented groups. Northern Arizona University had nine percent growth in its student body diversity. The UA had record diversity of its freshman class at 41 percent.

Klein also highlighted achievements in increasing access to higher education including:

- the recent court ruling that allows students with Deferred Action for Childhood Arrival designation to qualify for in-state tuition;
- a new non-resident undergraduate tuition rate that will offers a rate of 150% of in-state tuition for Arizona high-school graduates who don't qualify for in-state tuition; and
- the approval to participate in SARA (State Authorization Reciprocity Agreement), which simplifies the process and reduces costs for universities to offer online degrees outside of Arizona.

President Klein also provided a recap on extensive accomplishments in community outreach and engagement and development of significant collaborations. For example, the board is working closely with the Arizona Commerce Authority to develop their Workforce 2020 Roadmap, which will estimate the new jobs they expect will be created in targeted industries. Board staff is developing a methodology that links likely degree programs as a source of labor supply by occupation. The goal is to demonstrate the capacity in higher education to develop Arizona's future workforce.

The report also foreshadowed significant projects on the horizon, including Gov. Ducey's request for an updated strategic plan, an update of the board's metrics, and a review of ABOR's university admissions requirements.

## **One Billion Dollars Infused into Arizona's Economy from Research at Arizona's Public Universities Last Year**

### ***2014 research report details economic impact of research at ASU, NAU and UA***

In 2014, Arizona's public universities brought in more than \$1 billion in research expenditures, dollars that drive purchases and employment within Arizona, according to the recently released [Arizona Board of Regents 2014 Research Report](#). The report also details additional research activity, including 24 different startup companies, over 470 invention disclosures, 84 U.S. patents issued, and public-private partnerships which will help fuel Arizona's economy going forward.

"Research at ASU, NUA and the UA provides a tremendous benefit to our community and the world around us," said Regent Mark Killian, chair of the Arizona Board of Regents. "Research leads not only to transformational discoveries that directly benefit the people of this state and beyond, but it generates jobs, facilitates partnerships, reinvests dollars into the community, attracts top faculty talent, and makes the undergraduate learning experience more rich through instruction and hands-on learning with elite faculty. Research at our universities is a very complex but extremely successful enterprise and its international reputation is a point of pride for our state."

The research report showcases numerous patents, inventions, start-up companies and technology transfer, including the following:

- Of the clean technology venture investments made to Arizona companies in 2013, over half of the funding went to ASU spinout companies Heliae and Fluidic Energy, which raised \$28,400,000 and \$20,809,212, respectively.
- NAU and the Translational Genomics Research Institute (TGen) signed a five-year agreement to promote innovation and quality research benefitting Arizona. The agreement, signed last May, allocated \$3 million annual state funding, directed by Gov. Jan Brewer and the Arizona Legislature, in recognition of the positive dividends from a viable, competitive bio-industry in Arizona.
- SinofiaRX was originally created by employees of the UA College of Pharmacy in 2006. The program delivers services to patients nationwide and includes direct pharmacy interactions with patients, their health care providers and community pharmacists to ensure optimal treatment. In 2013, the program was licensed to create a start-up company SinofiaRX, a wholly owned subsidiary of Sinofia HealthCare Corp. Today, the company is growing in multiple cities, using interns from the UA and hiring UA graduates.

## **Board Approves FY16 Operating Budget**

***Workforce reductions and closure of programs part of universities' reduction strategies to absorb state budget cuts***

The [FY2016 University System Annual Operating Budget](#) was approved by the board, which includes projected revenues and expenditures for the upcoming fiscal year. The board also received information about preliminary reduction strategies at the universities in response to the recent state budget cuts, including workforce reductions, closure of programs, postponing capital and deferred maintenance programs, and more.

The budget that was passed by the state for FY16 included a decrease of \$101.5 million in state funds, 13.2 percent below FY 2015 levels. However, additional adjustments were included in the appropriations bill for reductions in the employer health insurance contributions that were not yet allocated. Now that the allocations have been made, the universities had an additional \$6.1 million reduced from the original general fund appropriations - approximately 38 percent of the total statewide general fund reduction for a decrease of \$107.6 million or 14 percent below 2015 levels.

[ASU](#) has identified \$61.4 million for department reallocation and strategic reinvestments to partially offset budget reductions; [NAU](#) has identified \$15.9 million in budget reductions; and [UA](#) estimates \$43.3M in expenditure reductions/reallocations identified during the tuition setting process in April.

### **New Tuition Option for Arizona High-school Graduates Approved by Board**

Non-resident students who are graduates of Arizona's high schools now have a more affordable option when it comes to college. Regents approved the new Non-Resident Undergraduate Tuition Rate for Graduates of [Arizona High Schools](#) that would provide a reduced non-resident undergraduate tuition rate for students who graduated from an Arizona high school, but who are not eligible for resident tuition in Arizona.

Students who meet the new policy requirements can utilize the new non-resident rate of 150 percent of resident undergraduate tuition. Students need to be lawfully present in Arizona, attend an in-state high school for three or more years during grades 9-12, and graduate from an Arizona high school, or attain the equivalent while physically present in Arizona for a minimum of three years.

### **FY 2016 Capital Development Plans Approved for ASU, NAU and UA**

The board approved [Capital Development Plans](#) for the three universities. Capital development projects for FY16 at ASU include plans for a new Student Pavilion and a previously-approved project, Sun Devil Stadium Renovation phases 2 and 3. The Capital Development Plan for the university totals \$226.8 million. At Northern Arizona University, students will have new a new housing option as a plan for a third-party project was approved that won't financially impact the university. The University of Arizona's approved plan includes no new projects and four previously approved projects for a total of \$176.7 million.

### **Universities Now Accepting Career and Technical Education Credit for Admission**

The board gave final approval to a policy change that will allow career and technical education credits to count for university admission. Students can now demonstrate either fine arts or CTE competency in applying for assured undergraduate admission.

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*The Arizona Board of Regents is committed to ensuring access for qualified residents of Arizona to undergraduate and graduate instruction; promoting the discovery, application, and dissemination of new knowledge; extending the benefits of university activities to*

*Arizona's citizens outside the university; and maximizing the benefits derived from the state's investment in education. For more information visit [AZRegents.edu](http://AZRegents.edu).*