



**Arizona Board of Regents**  
2020 N. Central Avenue, Suite 230  
Phoenix, AZ 85004  
(602) 229-2500  
Fax (602) 229-2555  
[www.azregents.edu](http://www.azregents.edu)

**ARIZONA BOARD OF REGENTS' RESOLUTION IN SUPPORT OF THE GOVERNOR'S  
FISCAL YEAR 2014 BUDGET RECOMMENDATION FOR ARIZONA'S PUBLIC  
UNIVERSITIES AND MEDICAID EXPANSION PLAN**

**February 7, 2013**

PREAMBLE

A quality education remains the surest path to individual prosperity and a strong economy; and

Arizona's ability to invest in higher education has been limited due to a decline in general fund revenue over the past several years and the need to redirect revenue to support expanding Medicaid eligible populations; and

Increasing state investment in our public universities is critical to Arizona's economic competitiveness, both nationally and abroad.

RESOLUTION

THEREFORE, it is resolved that the Arizona Board of Regents enthusiastically endorses Governor Brewer's Fiscal Year 2014 budget recommendations for Arizona's public universities in lieu of the Board's earlier budget request; and

The Board also enthusiastically endorses the Governor's Medicaid expansion plan, which would allow general fund dollars to be redirected for education in Fiscal Year 2014 through Fiscal Year 2016 and beyond; and

The Board is directing the Board President and University Presidents to support and advocate on behalf of the Governor's budget recommendations for the universities and her Medicaid expansion plan, to business leaders, the State Legislature, and to the public; and

This resolution of support is to be transmitted to the Governor, the Legislature, and all stakeholders of the Arizona public university enterprise.

UNDERLYING REASONS FOR THE BOARD RESOLUTION

The Board adopts this resolution in support of the Governor because Arizona must provide a high quality higher education that is affordable and accessible; and

The Board must continue to find ways to fund the academic and research infrastructure it needs to propel the economy forward and to accelerate the transfer of ideas and technology to the marketplace; and

The recent recession in Arizona led to unprecedented levels of unemployment, losses of wealth and income, and declining state tax revenues that led to historic cuts in state support for the universities; and

Governor Brewer has made the universities a major priority in her Fiscal Year 2014 budget by recommending a \$58.6 million increase in state support, representing an 8.2% increase from the prior year and nearly one-fourth of her recommended statewide operating budget increase; and

The Governor challenged the Board of Regents in 2009 and 2010 to establish clear and measurable performance goals for the public university system that became first the “2020 Vision” and later, the Enterprise Plan, and now, the Governor is rewarding those efforts by funding the new Performance Funding Model for the universities; and

The Governor’s ability to recommend new state support for education generally, and universities, more specifically, is made possible by her bold leadership and recommendation to craft a Medicaid expansion plan for Arizona under the federal “Affordable Care Act” that frees up general fund dollars to be redirected for education in Fiscal Year 2014 through Fiscal Year 2016 and beyond; and The University of Arizona Medical Center serves a significant Medicaid-eligible population and, similar to other hospitals in Arizona, faces millions of dollars of uncompensated care for uninsured and underinsured Arizonans; and

Estimates from the W.P. Carey School of Business at Arizona State University show that by 2016 the Governor’s Medicaid expansion plan will increase Arizona employment by 15,419 jobs, Arizona gross state product by \$1.37 billion, Arizona personal income by \$797 million, and Arizona state revenues by nearly \$50 million; and

As detailed in this resolution, the Governor’s Medicaid expansion plan has abundant direct and indirect benefits for Arizona’s public universities.

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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 [www.azregents.edu](http://www.azregents.edu).*