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New Arizona Board of Regents Report: Financial Aid Essential for Students

New Report Demonstrates Importance of Institutional Aid Provided by Universities

Tucson, Ariz. - Financial assistance at Arizona's public universities is crucial for students and families, with 94.5 percent of students receiving some type of aid, according to the [Arizona Board of Regents 2018 Financial Aid Report](#). The data suggests more students are attending Arizona's public universities with less financial ability to pay.

Students received more than \$767.3 million in institutional gift aid in fiscal 2018 with 106,445 individuals receiving aid from the universities. For federal aid recipients, 62,421 students received assistance.

Chief among findings of the report approved by the board today:

- Trends over time reflect that system-wide financial aid from all sources has increased 46.6 percent from \$1.85 billion to \$2.71 billion since fiscal 2012, outpacing enrollment growth of 30.8 percent over the same time period.
- Average need-based awards for undergraduates continue to increase and are now up 14.6 percent since academic year 2012.
- In fiscal 2018, 56.7 percent of students graduated with some level of debt. This is slightly lower than the 2012 peak of 60.7 percent.

Students receiving institutional aid from the universities increased from 67,536 to 106,445 since fiscal 2012 – a 57.6 percent increase – and the universities spent more than \$767.3 million in institutional gift aid in fiscal 2018. Similarly, federal aid recipients increased from 48,825 to 62,421, a rate increase of almost 27.9 percent.

“While there’s always more we can and are doing to improve affordability and access to a quality public higher education in Arizona, we’re proud that our universities are among the nation’s most cost-effective institutions and best values for students,” said Ron Shoopman, Arizona Board of Regents chair. “We’re committed to ensuring a quality education remains within reach for all Arizona students and families.”

While more students are relying on financial aid, the report also shows that default rates and debt among Arizona university graduates remain among the lowest in the country. Data shows that while the federal student loan default rate is on the rise, Arizona's public universities defy that statistic with student loan default rates in the low single digits. In addition, Arizona currently ranks seventh in the country among low-debt states; and nearly half of undergraduate students graduated with no debt in fiscal 2018.

The Financial Aid Report provides crucial data for the board as it prioritizes the need to increase the educational attainment rate in Arizona to 60 percent. Greater financial security and better job prospects are a few of the benefits realized through higher education. In addition, the unemployment rate for Arizonans with a high school diploma is 6.5 percent, while the rate for bachelor's degree graduates is 2.5 percent.

Increased wages and financial security are also important drivers of Arizona's economy. A more educated Arizona workforce with training and credentials beyond high school, is a critical indicator of a state's economic health and long-term viability. Research also shows that greater educational attainment leads to an increased tax base and decreased poverty.

"We're doing everything we can to ensure that all Arizona students, regardless of their financial circumstances, have an opportunity to come to one of our terrific universities. If they're prepared to come, we'll find a way to get them there and help them be successful," said ABOR executive director John Arnold. "We know higher education is one of the most crucial investments an individual and our state can make for better wages, quality of life and an enhanced ability for our state to compete."

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