

News Release

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FOR IMMEDIATE RELEASE

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Highlights of ABOR Meeting: Policy Revision for Non-Resident High School Graduation Rate; Technology and Research Initiative Fund, Free Expression, Cost Containment Reports

Tempe, Ariz. – Following are news briefs from the Arizona Board of Regents meeting Aug. 22 at Arizona State University. Board materials are available here.

Policy Revision for Non-Resident High School Graduation Rate

Established in 2015, the Non-Resident Undergraduate Tuition Rate for Graduates of Arizona High Schools policy provides a reduced non-resident undergraduate tuition rate - 150 percent of undergraduate tuition - for students who graduated from an Arizona high school, but who are not eligible for resident tuition in Arizona. The board approved a revision to the policy to remove a requirement that students be lawfully present in Arizona to be eligible for the rate.

The requirement was intended to clarify that Deferred Action for Childhood Arrivals students qualified for the unsubsidized non-resident rate when the policy was enacted. Since the federal government is not allowing new applications for DACA, the language is no longer needed. The policy revision clarifies the requirements for eligibility for the rate for students who meet the policy requirement and are not otherwise eligible for in-state tuition, including students who graduated from Arizona high schools and left the state, thereby losing Arizona residency; and undocumented students who are not eligible for instate tuition.

"The board has a strong interest in facilitating access to higher education for all students in Arizona, within the limits of applicable state and federal law. Arizona has made a significant investment in students who attend and graduate from Arizona high schools. This tuition rate is intended to encourage students to return to and remain in Arizona to continue their education and contribute to Arizona," Penley said. More information is available here.

Board Approves Report Detailing Research Funded by Prop. 301 Sales-Tax Revenues

The 2019 Technology and Research Initiative Fund (TRIF) annual report showcasing research funded by Proposition 301 sales-tax revenues was approved by the board. Arizona law established TRIF using a portion of Proposition 301 sales-tax revenue and gives ABOR the responsibility to administer the funds.

The majority of TRIF funds are allocated to the universities on a five-year budget cycle for specific projects in the following key areas:

Improving Health

- Water, Environment and Energy
- Space Exploration and Optical Science
- National Security
- Higher Education Access and Workforce Development

Examples of university research accomplished through TRIF includes:

- Developing a blood test that can diagnose a genetic risk for Alzheimer's.
- Improving walking ability of children with cerebral palsy.
- Understanding post-wildfire flooding and debris flows.
- Developing more efficient TSA checkpoints.
- Reducing vehicular accidents with weather-related alert systems.
- Combining artificial intelligence and social sciences to defend against cyberattacks.
- Creating additional learning options for professional mobility in health care.
- Creating a new blood test for screening, detecting and monitoring major cancers.

"Research accomplished through the Technology and Research Initiative Fund is focused on key areas that address challenges facing us today and in the future. From innovations in health care to technological advances that keep us safe online, TRIF funds serve as agents of change that advance Arizona," said Larry E. Penley, Arizona Board of Regents chair.

The TRIF report presents a comprehensive summary of the prior year's TRIF activity and expenditures at Arizona's three public universities. In fiscal year 2019, Arizona's public universities received approximately \$83.6 million in TRIF revenue. Total TRIF revenue received to date since the inception of the program in June 2001 is more than \$1,124 billion.

TRIF dollars also support Regents Innovation Fund (RIF) grants that are instrumental in supporting university research and contribute to collaborative research efforts among the universities to devise solutions to Arizona's challenging problems. Each year the regents review the project proposals and allocate approximately \$1 million toward RIF projects. More information is available here.

Board Approves Free Expression Committee Annual Report

The board approved the ABOR Committee on Free Expression Annual Report, which demonstrates the board and universities' commitment to ensuring the fullest degree of freedom of expression at Arizona's public universities.

The board and the universities strive to ensure the fullest degree of intellectual freedom and free expression at the institutions. Universities do not shield individuals from speech protected by the First Amendment, including ideas and opinions that may be unwelcome, disagreeable or deeply offensive.

All three of Arizona's public universities have received a green light rating from the <u>Foundation for Individual Rights in Education (FIRE)</u>, recognizing the commitment of the board and the universities to free speech. Each university also has policies and procedures in place to encourage and protect lawful speech.

"Our universities are places where free speech is encouraged, even when that speech may offend," said Regent Karrin Taylor Robson. "We are at the heart of inquiry. We are educating citizens who have the skills to engage in civil discourse with one another when they graduate.

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Arizona's public universities will celebrate free speech, civil discourse and democratic engagement during the Regents' Cup debate competition, an event that will be anchored by respect and civil discourse. Students from all of the universities will compete for scholarships and course credit during the event at the University of Arizona Nov. 16.

Created through Arizona Revised Statute § 15-1867, the Committee on Free Expression addresses topics related to free speech at the universities. Access the full report here.

Cost Containment Report Demonstrates Enterprise Efficiency

The Arizona Board of Regents Cost Containment Report includes data regarding costs at the universities including actions taken by each university to contain costs, historical data on tuition and mandatory fees, employees' salaries and lower-cost degree options.

Approved by the board and required by Arizona Revised Statutes, the report includes examples from the universities of cost containment measures including:

- Arizona State University's consolidation through the closure of the Thunderbird School of Global Management in Glendale and relocating graduate and executive education programs to the Downtown Phoenix campus provides greater community embeddedness and enhanced resources for Thunderbird students, faculty and staff. Closure of the former Thunderbird campus will eliminate net operating expenses (net of operating the new location) of more than \$3.2 million annually and avoid investment in aging facilities of \$25 to \$30 million over the next 10 years. Proceeds from the sale of the former campus, expected to exceed \$30 million, will fund nearly half of the cost to construct a new state-of-art home for Thunderbird downtown.
- Northern Arizona University's cost-saving actions include infrastructure investments and debt service avoided on residence halls built by third-party partners that are projected to yield a \$13 million fiscal year 2019 estimated impact. In addition, benefit eligible positions are reviewed prior to posting, factoring into unit reorganizations to better align personnel with necessary skillsets especially in the Information Technology Services division and the Capital Planning and Campus Operations division in particular, resulting in a \$5 million fiscal 2019 estimated impact.
- The University of Arizona implemented cost savings measures such as energy metering improvements, software upgrades to the chilled water system, enhancements to the thermal ice storage production and utility contract renegotiations for lower usage rates, saving the university over \$10.5 million from fiscal years 2012-2017. University partnerships with external entities provide critical services and enhance cost efficiencies. The Banner Affiliation Agreement, for example, provides an additional funds flow of \$20 million annually for 30 years to the Colleges of Medicine.

"Arizona's public universities are among the most efficient in the nation. Our universities costs to educate students is lower than many peer institutions and the board and universities have worked to slow the rate of tuition increases to ensure an affordable, quality education remains accessible to students," said John Arnold, Arizona Board of Regents executive director. The full report is available here.

Board Approves Appointment of UA Senior Leaders

New senior leadership at the UA was approved by the board. Lisa Rulney will serve as the university's senior vice president for business affairs and chief financial officer and Liesl Folks is the UA's new senior vice president for Academic Affairs and provost.

Rulney has served as the interim senior vice president for business affairs and chief financial officer for the university since October 2018. She is responsible providing leadership of the university's finance and administration functions as well as managing financial services, human resources and procurement among other areas.

Folks serves as the UA's chief academic officer, overseeing academic programs and units, exclusive of the health sciences. She is responsible for all matters related to the academic mission of the university including faculty, academic programs, and student affairs. Folks comes from the University of Buffalo where she served as Dean of the School of Engineering and Applied Sciences. More information is available here.

Multiple-Year Women's Basketball Head Coach Contract

Adia Barnes' amended contract as head coach of UA women's basketball was approved for a three-year extension through 2024 by the board. Barnes coached the team to a championship victory at the Women's National Invitation Tournament during the past season.

Terms of the amended contract address concerns raised by the board at its June meeting regarding annual performance incentives that may be awarded for the team's cumulative grade-point average.

Amended terms include: adjusting Barnes' annual salary to \$407,500; adding an additional academic bonus in the amount of \$45,000 for a cumulative team GPA of 3.69 or above; and striking a bonus based on a lower-tiered team cumulative GPA structure. Additional information is available here.

UA Mineral Museum Lease Amendment

The board approved a request for an amendment to a lease agreement between Pima County and the UA for its Mineral Museum in Pima County's courthouse in downtown Tucson. Under terms of a lease agreement approved by the board in April of 2018, Pima County is responsible for constructing the UA's tenant improvements and exhibits pursuant to plans approved by the UA as part of a renovation of the courthouse. The lease provides the university with 11,960 square feet of exhibit space rent free as well as lab, storage and community space at rates ranging from \$8 to \$18 per square foot.

Increases in costs for labor and materials in construction projects, as well as increases in scope because of the unique nature of designing and building the mineral museum inside a historic building, prompted the amendment. Additional details are available <u>here</u>.

UA Online Degree Program Tuition Rates Approved

Following a public hearing for students and the public to comment on proposed tuition rate changes for the UA, board approved changes for two existing rates and one new program.

With the establishment of the revised tuition, new UA students will see these changes: \$1,145 per unit rate change from \$1,100 for the online masters of business administration; and a base tuition increase **Arizona Board of Regents** | 2020 N. Central Avenue, Suite 230 | Phœnix, AZ 85004 (602) 229-2500 | <u>AZRegents.edu</u>

for the distance campus masters of science in engineering management and the distance campus masters of science in systems engineering from \$812 per unit to \$1,000 with an elimination of the current \$188 program fee, resulting in no net increase for students and allowing for employer reimbursement when tuition is covered but additional fees are not. The board also approved establishing base tuition of \$1,000 per unit for the new online masters of entrepreneurship that is prepared to launch this fall. More information is available here.