



FISCAL YEAR 2019

# ANNUAL REPORT



ARIZONA BOARD OF  
**REGENTS**

ASU ♦ NAU ♦ UA



# ABOUT THIS REPORT

The fiscal year 2019 Arizona Board of Regents Annual Report filed in accordance with A.R.S. 15-1629 highlights accomplishments by the board and universities from the past year. From a top priority to increase educational attainment to ensure Arizona remains competitive to offering alternatively priced degree options, the enterprise is focused on students and their success. The report also documents the impact of the universities on the state, including generating \$11.1 billion in economic impact and thousands of jobs as well as research that drives innovation in Arizona.

Organized around the board's strategic goals, accomplishments from the year are categorized around four main strategic objectives – educate, achieve, discover and impact. Comparison data to other states is included in charts when applicable based on similar enrollment and Western Interstate Commission for Higher Education (WICHE) states.

## ABOUT THE ARIZONA BOARD OF REGENTS

The Arizona Board of Regents is committed to ensuring access for qualified residents of Arizona to undergraduate and graduate institutions; 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.

### MEMBERS

Ron Shoopman, Chair  
Larry Penley, Chair Elect  
Ram Krishna, Secretary  
Bill Ridenour, Treasurer  
Lyndel Manson  
Karrin Taylor Robson  
Jay Heiler  
Fred DuVal  
Aundrea DeGravina, Student Regent  
Lauren L'Ecuyer, Student Regent  
Gov. Doug Ducey, Ex-Officio  
Superintendent Kathy Hoffman, Ex-Officio

### ABOR EXECUTIVE DIRECTOR

John Arnold



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# HIGHER EDUCATION DRIVES ARIZONA FORWARD

**An investment in higher education is an investment in Arizona's future. For graduates, earning a postsecondary degree means higher earning power, better health, longer life expectancy and overall greater quality of life. For our state and nation, a strong higher education system means a robust and well-trained workforce, an attractive environment for job creators and a growing, globally competitive economy.**

That's why postsecondary attainment is critical. Most new jobs require additional training beyond high school and 35 percent require a bachelor's degree. Educational attainment trends in Arizona show only 17.2 percent of today's ninth graders will graduate from a four-year college by 2028 if the state remains on its current trajectory. Through statewide collaborations, stakeholder engagement, compiling a toolkit of university resources for K-12, increasing graduation rates and more, the Arizona Board of Regents is working to increase educational attainment throughout the state.

These efforts and more drive results for students and the state. Last year, Arizona State University, Northern Arizona University and the University of Arizona awarded more degrees than at any other point in the state's history. Record numbers of students graduated with degrees in high-demand, high-wage fields like STEM and healthcare. Through the Arizona Teachers Academy, the universities are training the next generation of quality teachers for Arizona classrooms. Research at the universities advances health and innovation from advancements in cancer diagnostics to detecting the severity of injuries.

Focused on Arizona's future, these efforts represent just a snapshot of the work underway at the board, and Arizona's public universities.

# AT A GLANCE

## ECONOMIC IMPACT

of Arizona's public universities  
during fiscal year 2017

**\$11.1 BILLION**

**84,000 JOBS**

## WAGES OF GRADUATES

**78%**

Percentage difference in median wages between individuals with a **bachelor's degree** (\$51,179) and peers with a high school diploma (\$28,821)

**128%**

Percentage difference in median wages between individuals with a **graduate degree** (\$65,573) and peers with a high school diploma (\$28,821)

**\$18.6 BILLION**

Wages earned in fiscal year 2017 by nearly **300,000 graduates** of Arizona's public universities

## EXECUTIVE DIRECTOR, NEW REGENTS NAMED

- With over 20 years serving the state of Arizona, the Arizona Board of Regents named **John Arnold** as executive director of the board in July. Arnold joined the board in March of 2015 as vice president of business management and financial affairs.
- Gov. Doug Ducey appointed Regent **Fred DuVal** to an eight-year term on the Arizona Board of Regents in November 2018. Regent DuVal has served at the highest levels of government and previously served on the board from 2006-12.
- Student Regent **Lauren L'Ecuyer** began her term July 1, 2018 after Gov. Doug Ducey appointed her to the board. She has served as Associated Students of NAU student body president and as the organization's vice president of academic affairs.

**\$1.3 BILLION**

Estimated **state taxes** generated by graduates in Arizona in fiscal year 2017

**\$767.3 MILLION**

**Institutional gift aid** awarded to 106,445 students from the universities in fiscal 2018

**12,108**

Number of **graduate degrees** conferred by Arizona's public universities in 2018, representing a record number of master's and doctoral degrees awarded

**31,479**

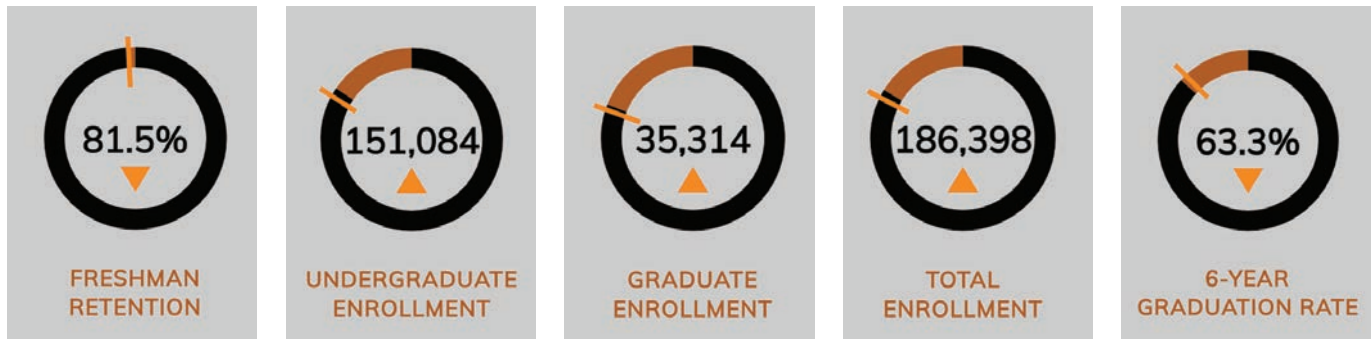
Number of **bachelor's degrees** earned by graduates of Arizona's public universities in 2018 – up for the twelfth year in a row.



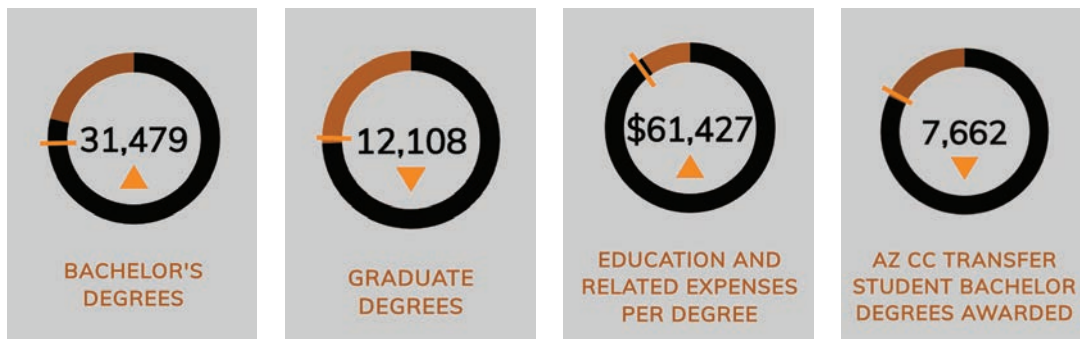
# METRICS

Arizona's public universities provide opportunities for learning, discovery, research, public service and economic development. Critical goals outlined in ABOR's 2025 Impact Arizona strategic plan include improving access for students, promoting student success and contributing to the state. Increases in enrollment, graduation rates, student retention, research, inventions and more boost educational attainment and impact Arizona's economy and quality of life.

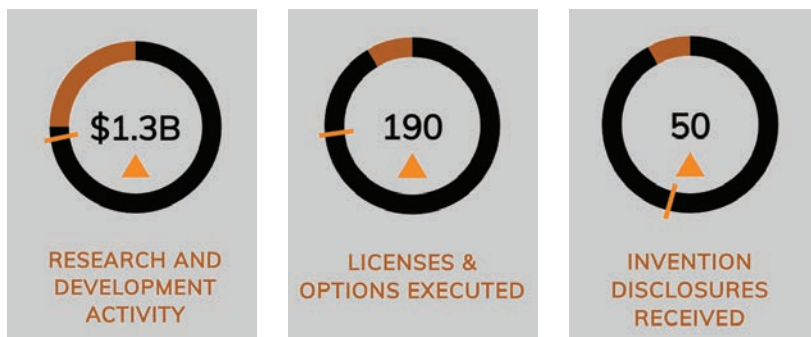
## EDUCATE



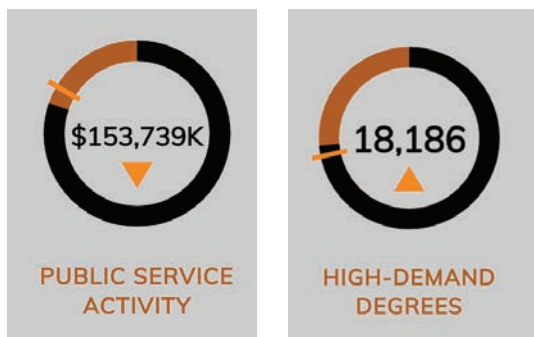
## ACHIEVE



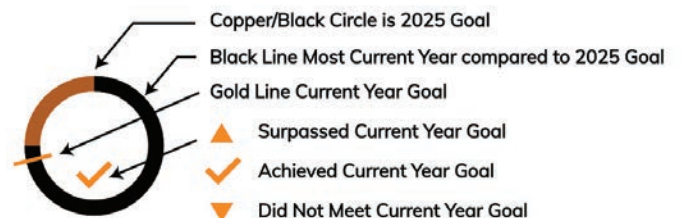
## DISCOVER



## IMPACT



### KEY



**IMPACT**





## **BOARD PRIORITY: INCREASING EDUCATIONAL ATTAINMENT**

Increasing educational attainment is a top priority for the board and supports the state’s attainment goal for 60 percent of Arizonans to have a degree or certificate by 2030.

According to the Bureau of Labor Statistics, 38 percent of all new jobs will require a bachelor’s degree or higher and 52 percent will require some post high school education from now until 2026. While 36 percent of the country’s population aged 25 to 34 have a four-year degree, only 27 percent in Arizona have a bachelor’s degree. Earning a college degree pays long-term dividends for Arizonans with bachelor’s degree holders earning median wages that are 78 percent higher than individuals with a high school degree.

Among initiatives undertaken to increase educational attainment:

- The board intensified efforts to raise awareness of this issue through increased stakeholder engagement and statewide collaborations in addition to strategic priorities including increasing retention and graduation rates and strengthening the K-12 pipeline.
- Development is underway of a toolkit for school districts and charter schools about the resources available at the universities to improve the teacher talent pipeline, college preparation, high school graduation, and college enrollment and completion.
- The board developed a new high school report card to identify “pathway to college” high schools in the state that are excelling or beating the odds in preparing students for enrollment and success in postsecondary education.
- There are currently several efforts to integrate P-20 and workforce data into one longitudinal system to improve educational attainment and workforce outcomes.

Last year, the board and public universities combined the strengths of their communications leadership to define tactical strategies to raise awareness of the value proposition of public higher education and to drive increased educational attainment. The collaboration has led to the implementation of a multi-year, long-range awareness campaign. With an ambitious attainment goal for the state, the challenge to identify strategies to accelerate attainment equity also is core for this multi-year plan.

## **UNIVERSITIES GENERATE \$11.1 BILLION STATEWIDE ECONOMIC IMPACT, THOUSANDS OF JOBS**

An independent economic and fiscal analysis found Arizona State University, Northern Arizona University and the University of Arizona were responsible for more than \$11.1 billion in total economic impact and 84,000 jobs during fiscal year 2017.

Public university students spent an estimated \$2 billion on housing, utilities, groceries and other items, supporting nearly 20,000 jobs and \$3 billion in total economic impact. Additional findings for fiscal year 2017:

- Spending by university faculty and staff supported more than 11,000 jobs and economic impact totaling \$1.7 billion.
- University research at ASU, NAU and UA resulted in total economic impact exceeding \$2 billion.
- The annual operations of the universities (including faculty, student and visitor spending) generate a wide range of tax revenues for the state, counties, cities and other local governments in Arizona, generating an estimated \$451 million in collected tax revenue.
- The incremental economic impact of the enterprise activities funded by out-of-state visitors and sources produced \$3.8 billion in economic output.



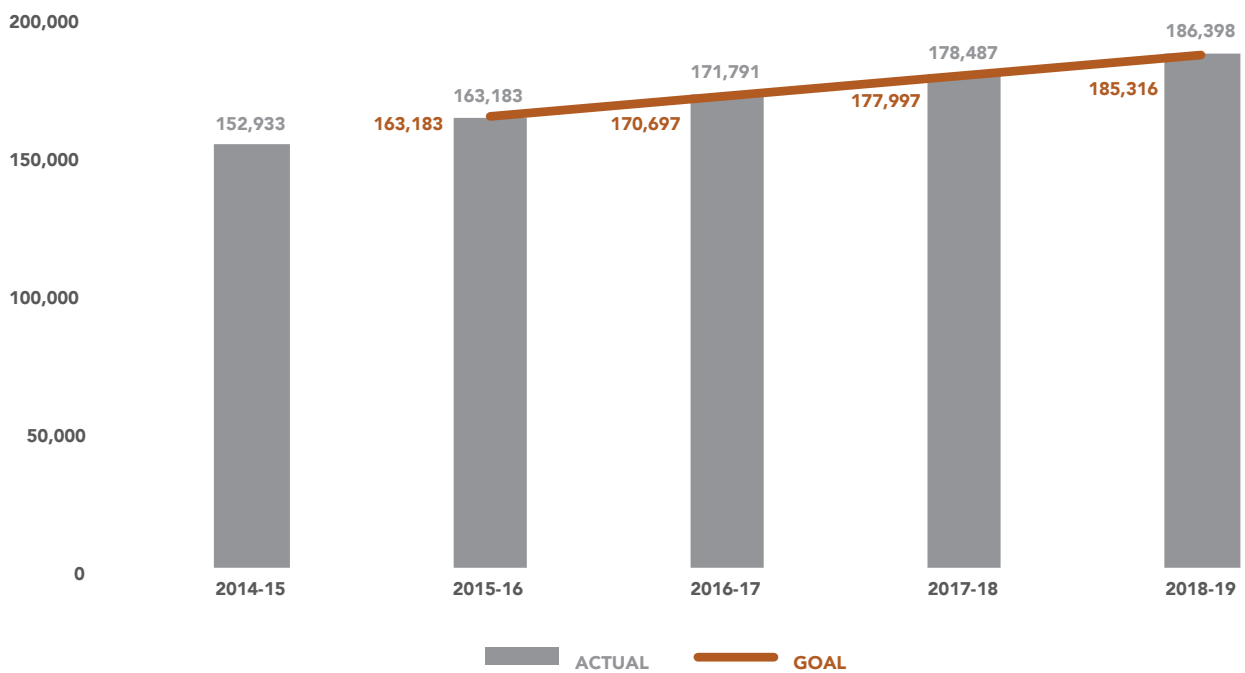
## ENROLLMENT APPROACHING 200,000 MARK

For two decades, Arizona’s public universities have experienced continual growth with enrollment increasing 30 percent in the past five years. According to the 2018 Fall Enrollment Report, in fall of 2018 total student enrollment at Arizona’s public universities approached the 200,000 mark – with 186,398 students enrolled, a 4.4 percent increase over fall 2017.

Undergraduate students totaled 151,084 at Arizona’s public universities for fall 2018. This 4.3 percent year-over-year increase exceeded the 2018 metric goal by 0.4 percent and has culminated in a 30.1 percent increase over the past five years. Among graduate and professional students, 35,314 enrolled in the universities, a 28.3 percent increase during the past five years. Resident student enrollment surpassed 100,000 with approximately 102,000 resident students and 84,000 non-resident students enrolled in one of Arizona’s public universities.

While the total number of students enrolling in the universities continues to increase, the overall rate of enrollment growth is slowing, declining by a third since 2015.

### TOTAL ENROLLMENT AT ARIZONA’S PUBLIC UNIVERSITIES, FY 2019

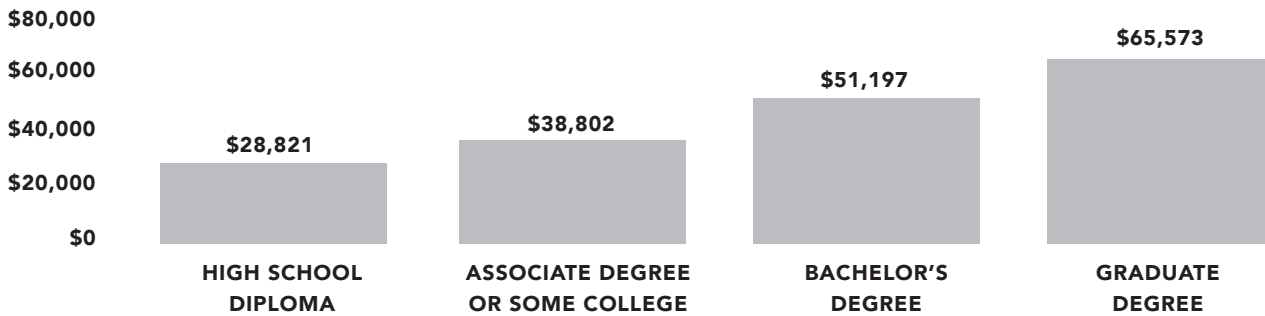


## **WAGES OF GRADUATES DEMONSTRATE RETURN ON DEGREE INVESTMENT**

A college degree is one of the most important investments an individual or the state can make. Arizonans with a bachelor's degree earn a median wage that is more than \$22,000 higher than those with a high school diploma, according to the Arizona Board of Regents 2018 Wages of Graduates Report. The report details the economic impact of public higher education for students and the state.

According to 2018 data, Arizonans with an undergraduate degree earn a median wage of \$51,197. Their wages are \$22,376 higher than their peers with a high school diploma alone and \$15,395 more than individuals with an associate degree or some college.

### **2017 MEDIAN WAGES IN ARIZONA BY EDUCATIONAL ATTAINMENT**



## STUDENTS EARN RECORD NUMBER OF HIGH-DEMAND DEGREES

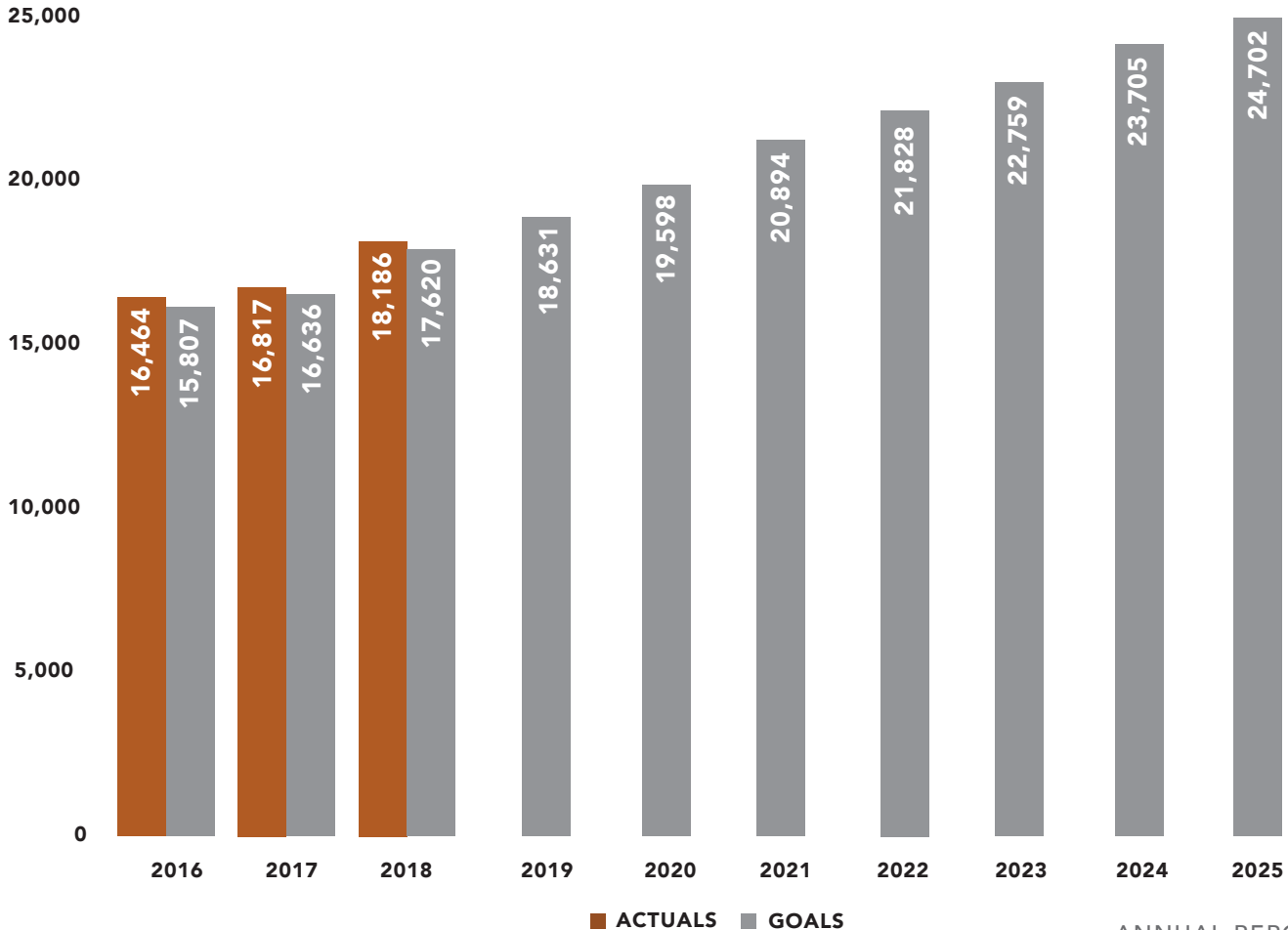
Students at Arizona’s public universities earned a record number of bachelor’s degrees in high-demand fields, according to the 2018 Degrees Awarded Report. In 2018, 18,186 bachelor’s degrees awarded by the universities, more than any prior year on record. The board tracks high demand degrees in these areas – health care, education and STEM degrees – because of their impact on Arizona’s competitiveness.

STEM degrees underpin substantial economic activity, including in the areas of technology, transportation, manufacturing, food production and health care. In 2018, the universities awarded 7,101 bachelor’s degrees in STEM fields, more than any prior year on record. Students are increasingly meeting the demand for health-care workers, and the universities awarded more bachelor’s degrees in these fields than at any time in their history – producing 2,578 health-related bachelor’s degrees in 2018, a 171 percent increase since 2009.

**INCREASING THE NUMBER OF HIGH-DEMAND DEGREES EARNED BY GRADUATES IN FIELDS SUCH AS SCIENCE, TECHNOLOGY, ENGINEERING AND MATH (STEM) IS CRITICAL TO FULFILLING ARIZONA’S WORKFORCE NEEDS NOW AND IN THE FUTURE.**

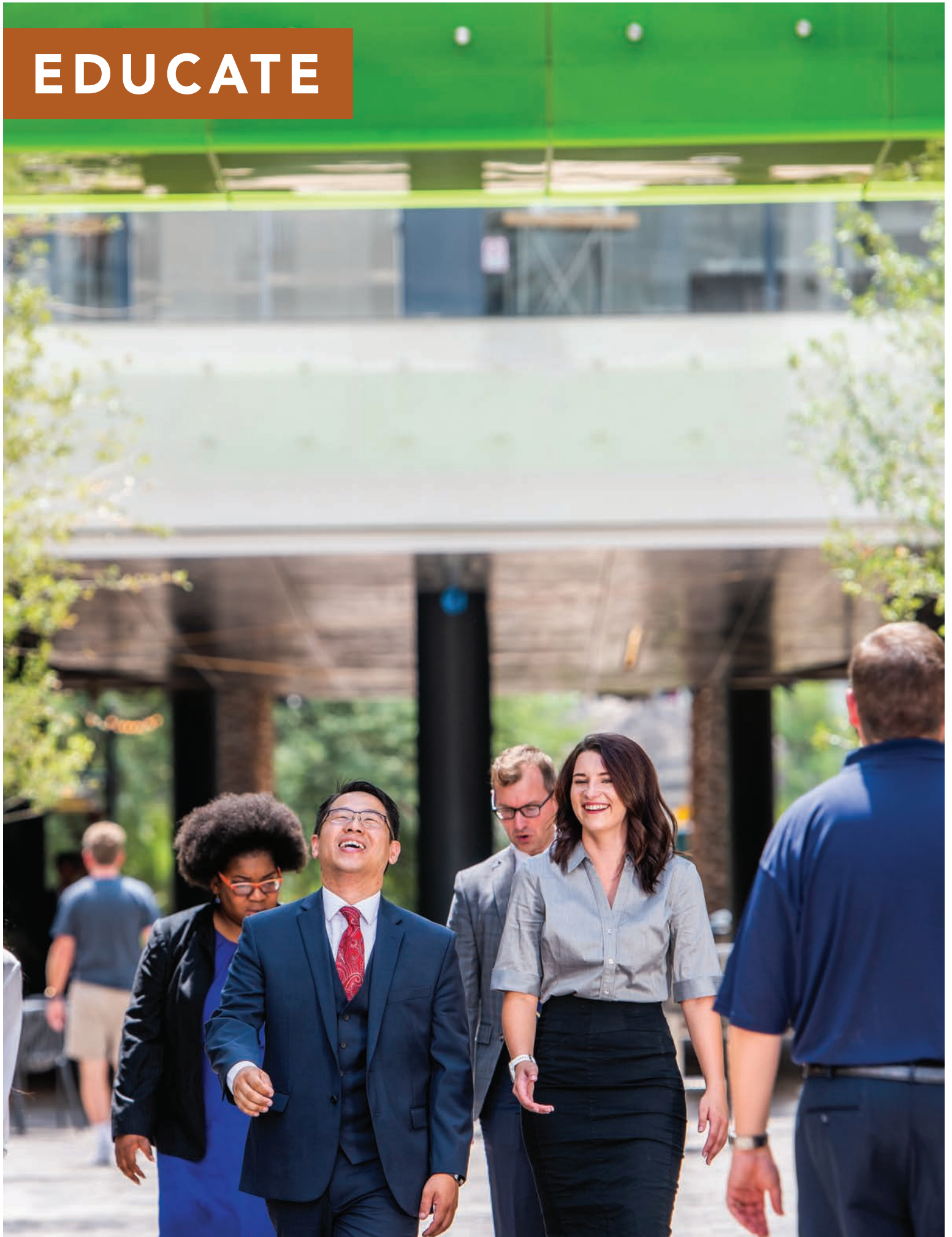
In contrast to bachelor’s degree awards in the STEM and health fields, bachelor’s degrees in education have reversed course during the past decade. While the universities continue to award more than 1,500 bachelor’s degrees in the education fields annually, the number of bachelor’s degrees in this area of study has declined more than 27 percent since 2009.

### HIGH DEMAND DEGREES





# EDUCATE



## REPORT DETAILS COLLEGE ENROLLMENT, COMPLETION TRENDS

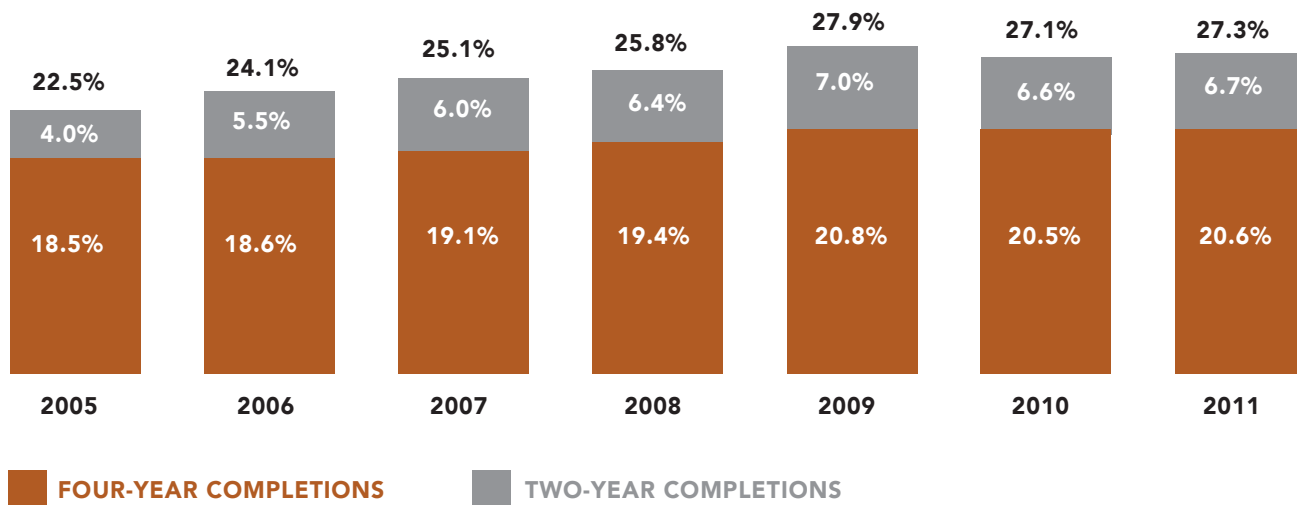
Key findings in the 2018 College Enrollment and Completion Report demonstrate the needle is not moving on the rate of Arizona high school graduates going on to college.

In 2017, the enrollment rate was 52.6 percent, a rate that has remained static since 2013 and actually has decreased from 53.5 percent in 2012.

In 2017, nearly half – 47.4 percent – of Arizona’s high school graduating class did not enroll in a two- or four-year college after graduation. Among 2011 high school graduates, just 27.3 percent had completed a two- or four-year degree six years after high school graduation.

Data trends also highlight inconsistent performance among Arizona high schools. For college completions, the top 30 percent of Arizona high schools produced 65.2 percent of Arizona high school graduates and 83.7 percent of the high school graduates that go on to complete college. The remaining 70 percent of Arizona high schools produced 34.8 percent of Arizona high school graduates, but only 16.3 percent of the graduates who complete college.

### ARIZONA PUBLIC HIGH SCHOOL GRADUATES COMPLETING COLLEGE WITHIN SIX YEARS

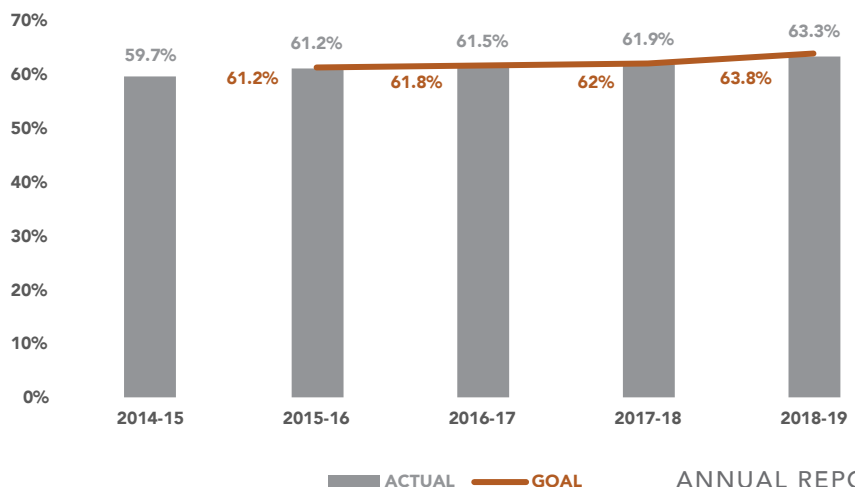


### SIX-YEAR GRADUATION RATE ON THE RISE

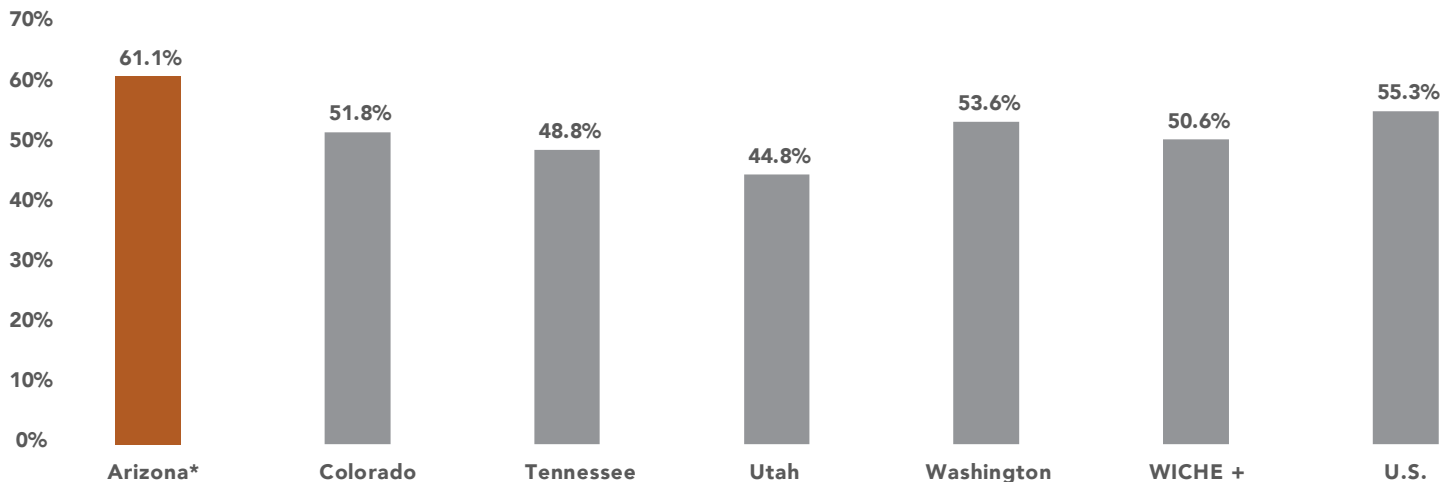
Arizona’s public universities six-year graduation rate is on the rise at 63.3 percent in the 2018-19 academic year, just shy of the strategic goal of 63.8 percent and more than the previous year at 61.9 percent. Reflecting the board and universities’ commitment to students and their success, the 2025 graduation rate goal increases to 71.5 percent.

The six-year graduation rate is a federally required metric and reflects improved productivity through degrees awarded while ensuring undergraduate students graduate in a reasonable timeframe.

#### SIX-YEAR GRADUATION RATE AT ARIZONA’S PUBLIC UNIVERSITIES, FY 2019



**SIX-YEAR GRADUATION RATE AT ALL FOUR-YEAR PUBLIC INSTITUTIONS, 2017**



\*Most current information available. WICHE states plus states with similar enrollments including Indiana, North Carolina, Tennessee and Virginia  
 \*Arizona column includes all four-year public universities within the state.

**FRESHMEN RETENTION CONTRIBUTES TO OVERALL ACADEMIC SUCCESS**

Arizona’s public universities freshman retention rate is 81.5 percent for fiscal year 2019, approaching the 2025 goal of 88.3 and slightly down from the fiscal 2018 rate of 82.6 percent.

Retaining freshmen through their first year of college contributes to their overall academic success, as students who return for their sophomore year have a higher probability of graduating. Enhanced student services support students during key transition points throughout their freshman year.

**COMMITMENT TO TUITION AFFORDABILITY, PREDICTABILITY**

Reflecting a multi-year commitment to enhance tuition predictability and keep tuition increases low, 2019-20 tuition and fees for Arizona’s public universities continue to offer predictability for students.

Northern Arizona University and the University of Arizona continue tuition guarantees that provide students with stable rates while Arizona State University pledged to continue to hold tuition increases to 3 percent or less for the next decade. Published tuition and fees at the universities does not reflect what students actually pay for their education. Following is the average net tuition paid by resident students in fiscal 2018 after financial gift aid was factored in:

- \$4,019 at ASU
- \$2,683 at NAU
- \$5,219 at UA

Approval of tuition and fees for students at Arizona’s public universities is a comprehensive process that includes consideration of each university’s finances and operational needs, an in-depth tuition workshop and public hearing where students and individuals share thoughts on tuition proposals.



**“OUR BOARD IS PLEASED THAT OUR UNIVERSITIES CONTINUE TO MAINTAIN COST PREDICTABILITY FOR STUDENTS THROUGH TUITION GUARANTEES AND PROMISES. WE’RE COMMITTED TO PROVIDING QUALITY EDUCATION TO ALL QUALIFIED ARIZONA STUDENTS TO INCREASE EDUCATIONAL ATTAINMENT IN ARIZONA.”**

**- ABOR CHAIR RON SHOOPMAN**



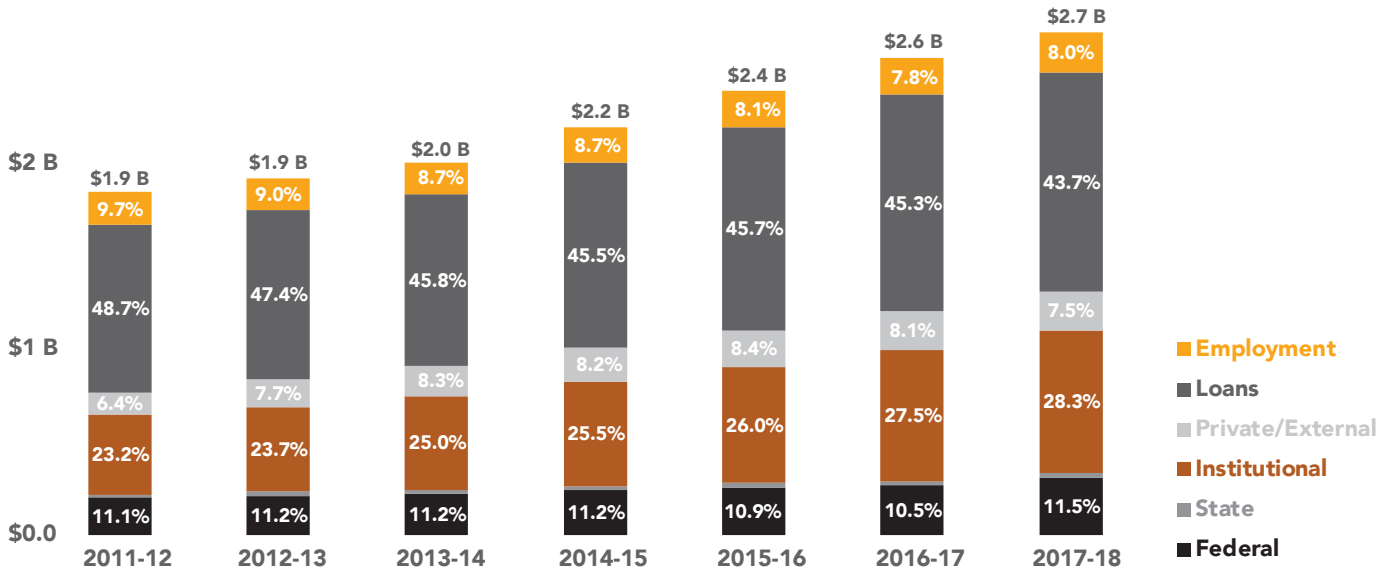
## FINANCIAL AID IMPROVES ACCESS FOR STUDENTS

Financial aid is essential for most students at Arizona’s public universities with 94.5 percent receiving some type of aid, suggesting more students are attending the universities with less ability to pay. The Arizona Board of Regents 2018 Financial Aid Report details key financial aid data including:

- 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.
- Trends over time demonstrate systemwide financial aid from all sources increasing 46.6 percent from \$1.85 billion to \$2.71 billion since fiscal 2012, outpacing enrollment growth of 30.8 percent during the same time period.
- Average need-based awards for undergraduates continue to increase and are now up 14.6 percent since academic year 2012.

The report shows default rates and debt among Arizona university graduates remains among the lowest in the country. Arizona currently ranks seventh in the country among low-debt states; and nearly half of undergraduate students graduated with no debt in fiscal 2018.

### SOURCES AND TYPES OF FINANCIAL AID AWARDED



## COMMUNITY COLLEGE PATHWAYS TO ARIZONA’S PUBLIC UNIVERSITIES

Efficient, seamless and affordable pathways to degrees from community colleges to Arizona’s public universities support Arizona’s initiative to increase educational attainment. Students can transfer to the universities through approximately 1,200 of these partnership programs.

During the 2017-18 academic year, 10,257 students transferred from Arizona community colleges to Arizona’s public universities while 57.4 percent of university graduates had earned credit from an Arizona community college. Approximately half of transfer students – 51.9 percent – entered the universities with 60 or more credits.

Business is the top major among community college students transferring to the universities. Health professions and related programs had the greatest five-year increase for baccalaureate degree recipients who entered as new transfers.

As part of its strategic plan, the Arizona Board of Regents measures growth in undergraduate degrees that are awarded in four years to Arizona community college transfer students.

## ALTERNATIVELY PRICED DEGREES PROVIDING INNOVATIVE OPTIONS AT ARIZONA'S PUBLIC UNIVERSITIES

Arizona's public universities offer significant statewide alternatively priced higher education degree options across the state. Among the three universities, 246 degree programs are offered in 25 cities across Arizona in addition to the universities' main campuses. Each extended location offers between one and 44 degree programs with education, nursing and interdisciplinary studies the most common. In fiscal year 2018, more than 3,600 students enrolled in the programs, earning 1,419 degrees.

Each university offers dozens of undergraduate and graduate degrees for students to complete degrees on an accelerated basis. Accelerated degrees encompass several different program structures, including undergraduate degrees that can be completed in three years, graduate degrees that are accelerated by combining advanced undergraduate work with graduate work, and competency-based programs that allow students to earn credits based on demonstrating mastery of skills.

## WICHE PROGRAMS BENEFITTING ARIZONA STUDENTS

Arizona students continue to benefit from the Western Interstate Commission for Higher Education (WICHE) exchange programs. In fiscal 2019, Arizona students who studied out of state saved \$18 million through WICHE programs.

Arizona is the largest supporting state in WICHE's Professional Student Exchange Program (PSEP). During the 2018-19 academic year, 167 students saved more than \$4 million through reduced tuition costs for healthcare studies not offered by public institutions in Arizona, and 77 percent of Arizona's PSEP graduates returned home to practice. Students are contractually required to return and practice their profession in Arizona or reimburse the funds paid on their behalf. High-demand careers launched through WICHE programs for Arizona residents include dentists, optometrists, osteopathic physicians, podiatrists and veterinarians.

Arizona's educational institutions and local economies benefit from PSEP as well. In 2018-19, 132 PSEP students enrolled in public and private programs in Arizona, and the institutions received \$2.6 million in support fees from other WICHE states to reduce students' tuition costs.

Ensuring the continuation of WICHE as a tool to provide affordable access to higher education is critical for students' benefit and for the good of the state.

## ARIZONA'S PUBLIC UNIVERSITIES COMMITTED TO FREE SPEECH

The Arizona Board of Regents strongly believes that free speech is critical to the mission and function of a healthy university system. Each of Arizona's public universities is recognized with the highest rating for free-speech policies by the Foundation for Individual Rights in Education, a non-partisan group devoted to protecting freedom of expression on campus.

An event showcasing free speech and the Arizona Board of Regents' Committee on Free Expression underscore the board and universities' commitment to freedom of expression.

In celebration of free speech, civil discourse and democratic engagement, the inaugural Regents' Cup will engage students in rigorous debate anchored by respect. Providing an opportunity for students



to compete through debate for scholarships and course credit, the inaugural Regents' Cup will celebrate democratic engagement while showcasing the commitment of the universities to upholding the intrinsic rights of all students to liberty and freedom of speech.

Teams from each university will individually participate in a round of civil dialogue, solutions debate and persuasive storytelling, sharing true stories from personal experiences during the event that will take place in November 2019 at the University of Arizona.

**COMMITTEE ON FREE EXPRESSION**

To further promote freedom of expression on the campuses of Arizona's public universities, the Arizona Board of Regents' Committee on Free Expression was established pursuant to state statute.

While board and university policies and practices reflect and promote constitutional protections for free speech, the committee's work reinforces the universities' commitment to freedom of expression through facilitation of spontaneous expression on campus and university procedures to reserve campus space for planned activities.

Students, staff and faculty members may discuss any topic, as the First Amendment allows and within the limits of reasonable content- and viewpoint-neutral restrictions on time, place and manner of expression that are consistent with applicable law.





ACHIEVE

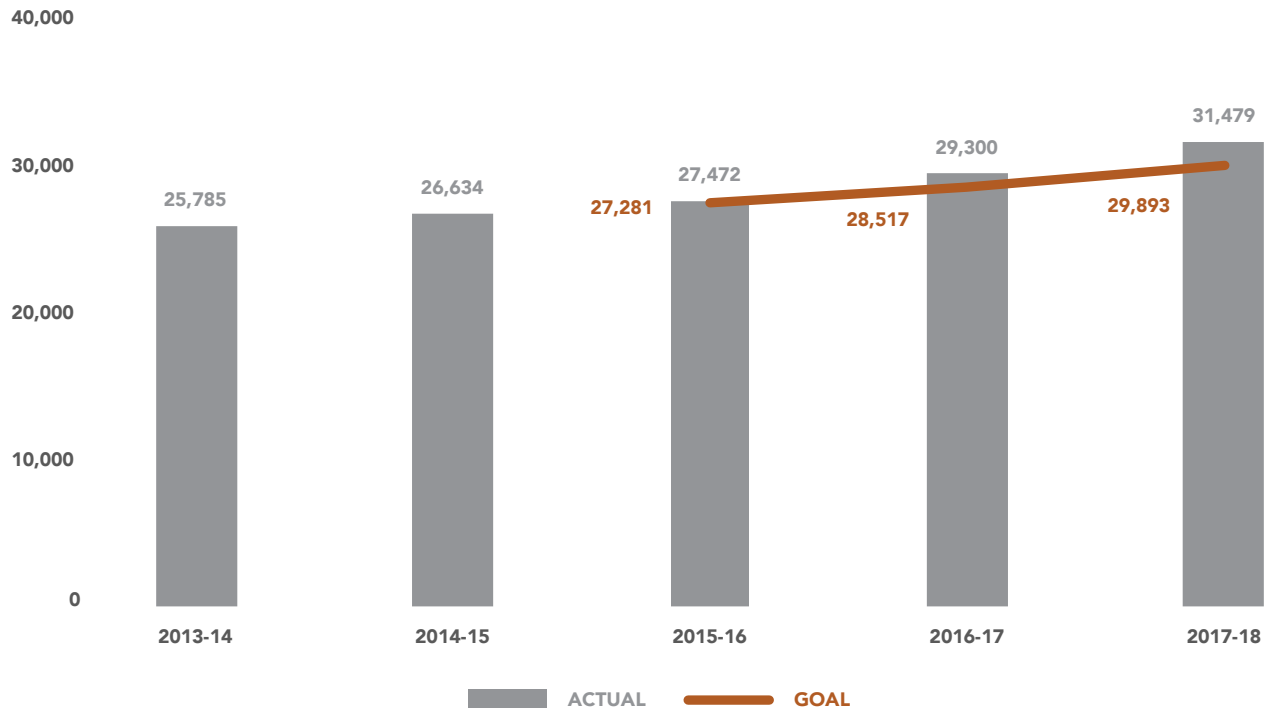


## BACHELOR'S DEGREES INCREASING

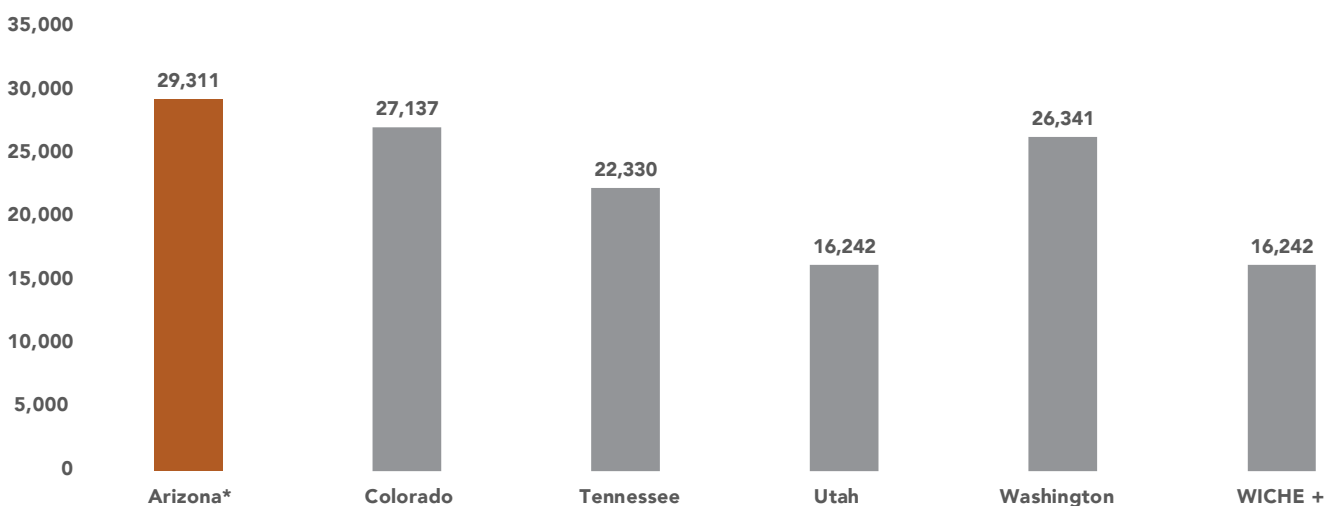
Graduates of Arizona's public universities earned 31,479 bachelor's degrees in 2017-18 – up for the twelfth year in a row, according to the 2018 Degrees Awarded Report. Data indicates that over the past two years the increase in degree production is accelerating.

Increasing bachelor's degrees awarded to students is significant for Arizonans and the state's economy. Educational attainment is a critical determinant of a person's employment, income, health status, housing, and other economic and social characteristics. On average, individuals with bachelor's degrees fare better than their counterparts in earnings and are better positioned to weather economic downturns.

### BACHELOR'S DEGREES AWARDED AT ARIZONA'S PUBLIC UNIVERSITIES, FY 2018



### BACHELOR'S DEGREES AWARDED AT FOUR-YEAR PUBLIC INSTITUTIONS, 2017



\*Most current information available. WICHE states plus states with similar enrollments including Indiana, North Carolina, Tennessee and Virginia  
 \*Arizona column includes all four-year public universities within the state.

## ARIZONA COMMUNITY COLLEGE STUDENTS EARNING BACHELOR'S DEGREES

More than 7,000 students from Arizona's community colleges earned degrees from Arizona State University, Northern Arizona University and the University of Arizona in fiscal year 2018. Students were awarded 7,662 bachelor's degrees, slightly down from the board's goal of 7,941.

With a 2025 goal of 9,549 degrees awarded to community college students at the universities, many of these students who transfer benefit from pathways programs that ensure seamless transfer of credits to Arizona's public universities.

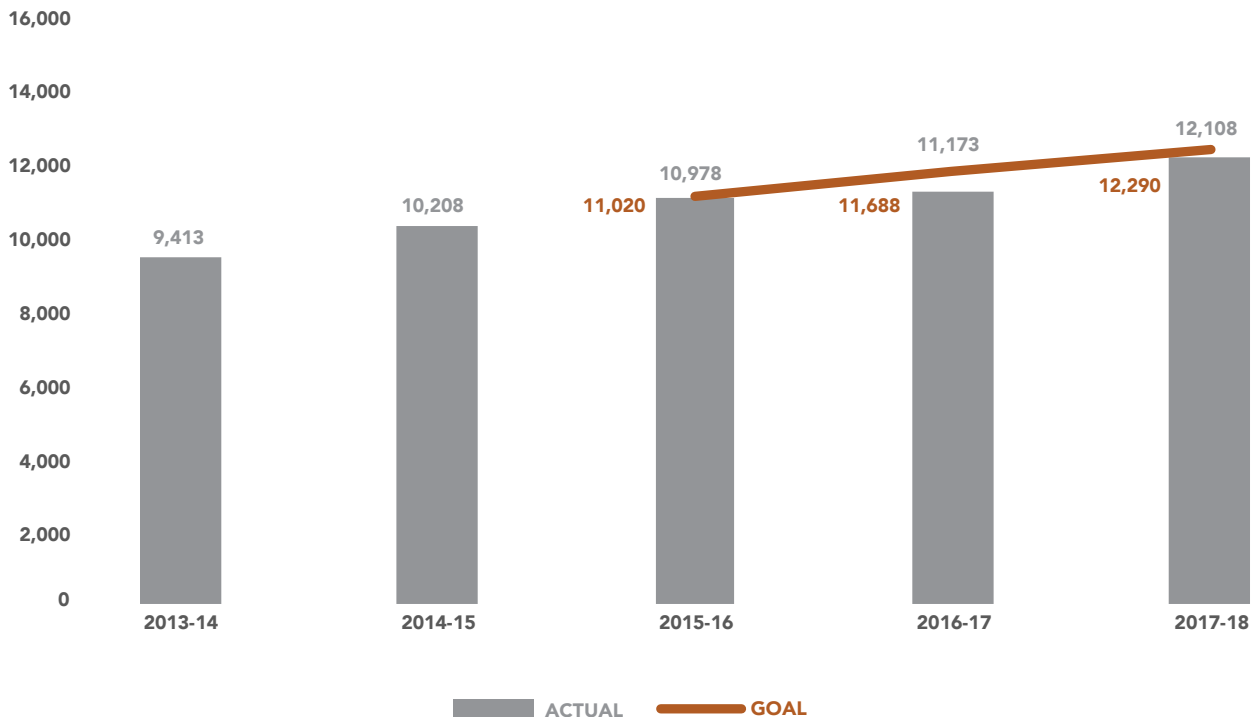
## UNIVERSITIES AWARDING RECORD NUMBER OF GRADUATE DEGREES

Arizona's public universities conferred 12,108 graduate degrees in 2018, representing a record number of master's and doctoral degrees awarded.

The universities conferred more than 9,900 master's degrees with the greatest numbers in the fields of education, business management, engineering, health professions and public administration. The universities also awarded more than 2,100 doctoral degrees to students with the most degrees in health, legal professions, engineering, education and physical sciences.

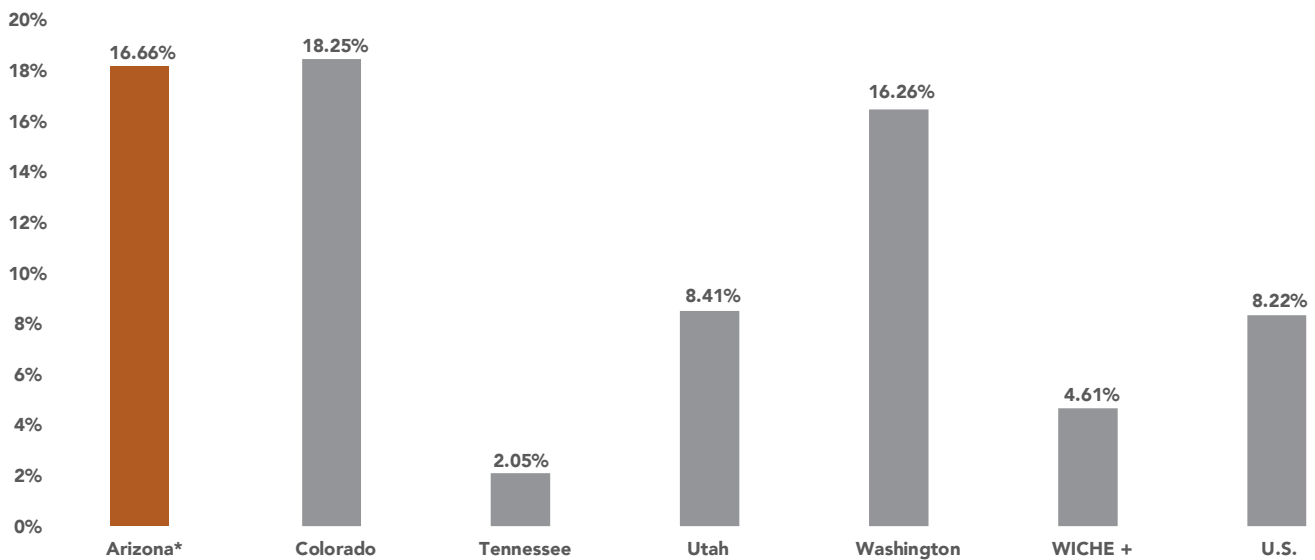
While the number of doctoral degrees overall continues to increase, and some doctoral degrees such as health-related doctorates continue to grow rapidly, doctoral degrees in fields such as education, physical sciences and social sciences have decreased. There are several possible explanations for the decrease in these fields, including a shrinking job market in these areas, lack of opportunity for academic positions or insufficient compensation in comparison to a bachelor's or master's degree.

### GRADUATE DEGREES AWARDED AT ARIZONA'S PUBLIC UNIVERSITIES, FY 2018





**GROWTH IN GRADUATE DEGREES AWARDED BY ALL FOUR-YEAR PUBLIC INSTITUTIONS, 2012 TO 2017**



\*Most current information available. WICHE states plus states with similar enrollments including Indiana, North Carolina, Tennessee and Virginia  
 \*Arizona column includes all four-year public universities within the state.

**ARIZONA TEACHERS ACADEMY REWARDS GRADUATES WHO TEACH IN STATE'S SCHOOLS**

Arizona’s public universities collectively served 464 students in the second year of the Arizona Teachers Academy in 2018-19, more than double the enrollment of 221 students during the first year. The academy offers students at Arizona’s public universities an innovative teacher training option through varied program offerings across the state, representing a new model that rewards graduates with a tuition scholarship if they teach in Arizona public schools.

During the 2018-2019 school year, 120 academy graduates taught in an Arizona public school. The number of academy graduates grew by 68 percent from 102 completions in 2017-2018 to 171 completions in 2018-2019. As the academy matures, the number of graduates working in Arizona public schools will continue to rise.

The universities are eager to continue to partner with the governor on the academy. The \$15 million approved in this years’ state budget for the academy is a meaningful investment in developing the state’s teaching workforce. Although the academy was limited in its initial launch due to the absence of a new, dedicated funding source, interest in the program has grown and university investment allowed the academy to expand to meet part of the demand.



**ARIZONA’S PUBLIC UNIVERSITIES ARE LEADERS IN QUALITY TEACHER PREPARATION AND HAVE PREPARED THOUSANDS OF TEACHERS OVER MANY DECADES FOR ARIZONA’S CLASSROOMS.**

With the continued growth of the Arizona Teachers Academy, the board launched a new website which provides information, news, resources and links to the program offerings at each of the universities and participating community colleges. The board and universities also launched social, digital and earned and paid media campaigns to drive program enrollment and foster greater awareness of the academy.

## ARIZONA'S PUBLIC UNIVERSITIES RANK IN EXCELLENCE

Arizona's public universities are consistently recognized for excellence in programs, research and service to students. From U.S. News & World Report rankings to international accolades from Times Higher Education, the universities are leaders among public higher education institutions. Examples of university honors include:

### ARIZONA STATE UNIVERSITY

**#1** Ranked No. 1 in the nation for innovation by U.S. News and World Report for the fourth straight year.

**1%** Top 1 percent of the world's most prestigious universities by Times Higher Education.

**\$** Named a "Best Value College" by Princeton Review for stellar academics and generous aid awards for students.

### NORTHERN ARIZONA UNIVERSITY

**#2** No. 2 in the nation for awarding master's degrees to Native Americans by Diverse Issues in Higher Education.

**100** Top 100 for research in national rankings among universities without a medical school, according to the National Science Foundation.

**#7** NAU's School of Hotel and Restaurant Management is No. 7 in the world according to CEOWORLD magazine.

### UNIVERSITY OF ARIZONA

**\$** Named as a Forbes "Best Value" college at No. 62, jumping 46 spots from last year's ranking.

**25** Ranked in the top 25 for research funding among all public institutions, according to the National Science Foundation.

**50** In the top 50 of public universities by U.S. News & World Report.

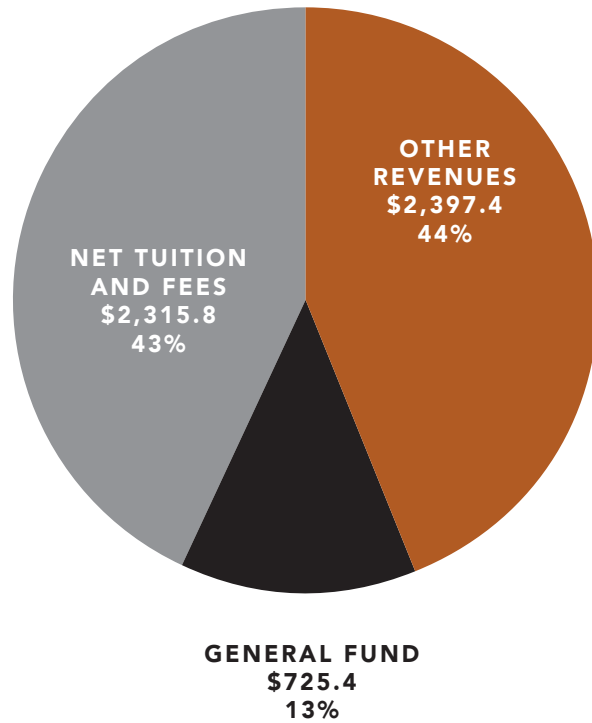


## BUDGETS REFLECT UNIVERSITIES' FISCAL POSITION

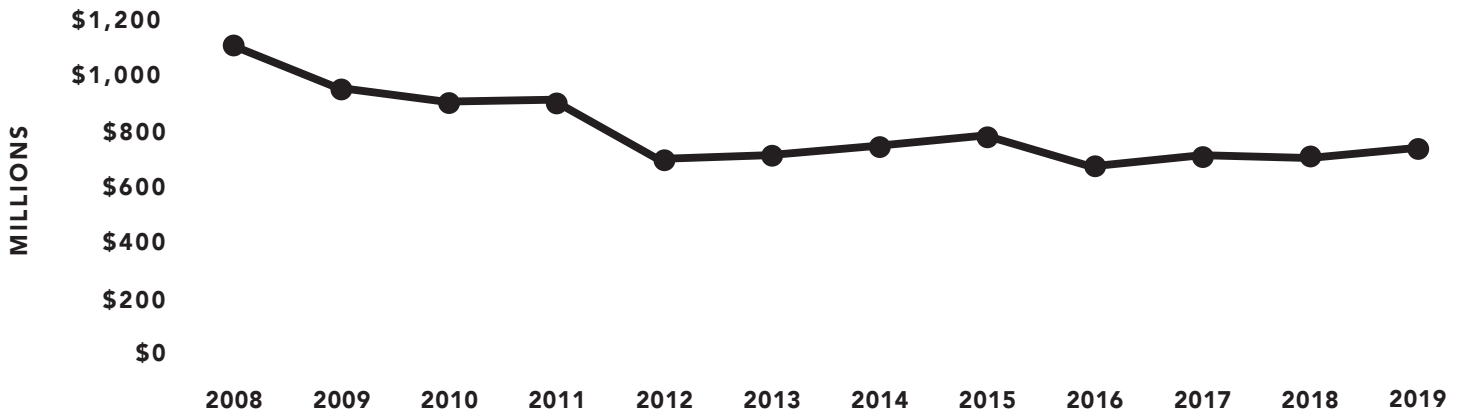
Total fiscal year 2019 revenues for the Arizona public university system were \$5.4 billion, an increase of about \$186 million or about 4 percent over the fiscal 2018 budget. Each university maintains a balanced budget with tuition and fee revenues and state general fund appropriations comprising the largest share of the universities' operating budgets at about 56 percent. Fiscal year 2019 state general fund appropriations total \$725.4 million for the system, an increase of \$20.6 million.

Annual budgets presented to the board by the universities provide a comprehensive overview of each institution's fiscal position and inform the board's decisions regarding tuition and fees through information including revenue projections, enrollment assumptions, planned strategic investments, and key performance and financial data. Five-year trends of each university's net position provide a long-range view of the university's fiscal health while days cash on hand informs the board of the university's reserve funds on hand and credit risk.

**FY 2019 ANNUAL BUDGET \$5.4 BILLION**



**GENERAL FUND APPROPRIATIONS FY 2008 - FY 2019**



## ACADEMIC PROGRAMS OFFER DIVERSE CHOICES FOR DEGREES

Students at Arizona's public universities are able to choose from hundreds of degree options from computer information sciences and legal professions to architecture and religious studies. Among degrees offered at the universities are 478 bachelor's degrees, 379 master's degrees and 202 doctoral degrees. Following is a breakdown of academic programs offered in 2018-19:

- Arizona State University at the Tempe campus offered 118 bachelor's degree programs, 114 master's degree programs, 75 doctoral degree programs, 78 undergraduate certificate programs and 34 graduate certificate programs.



## ACHIEVE

- ASU at the West campus offered 54 bachelor's degree programs, 11 master's degree programs, two doctoral degree programs and 23 undergraduate certificate programs.
- ASU at the Polytechnic campus offered 36 bachelor's degree programs, 16 master's degree programs, three doctoral degree programs, 13 undergraduate certificate programs and five graduate certificate programs.
- ASU at the Downtown Phoenix campus offered 33 bachelor's degree programs, 35 master's degree programs, 11 doctoral degree programs, 28 undergraduate certificate programs and 25 graduate certificate programs.
- Northern Arizona University offered 95 bachelor's degree programs, 61 master's degree programs, 15 doctoral degree programs, 47 baccalaureate certificate programs and 30 graduate certificate programs. In addition to the Flagstaff Campus, Northern Arizona University operates more than 20 sites, which offer a range of undergraduate and graduate programs to meet community needs.
- The University of Arizona offered 142 bachelor's degree programs, 142 master's degree programs, 96 doctoral degree programs, three first professional programs, four specialist programs, 92 graduate certificates and 19 undergraduate certificates.



### PROPERTY OVERSIGHT SUBCOMMITTEE DEVELOPS GUIDING PRINCIPLES

Through the board's University Property Oversight Subcommittee, principles to guide property development and a policy position on university property were approved by the board.

Highlights from the policy position and principles include:

- Property owned by ABOR, on behalf of itself or the public universities under its jurisdiction are assets intended to support the universities in their broad educational and research missions.

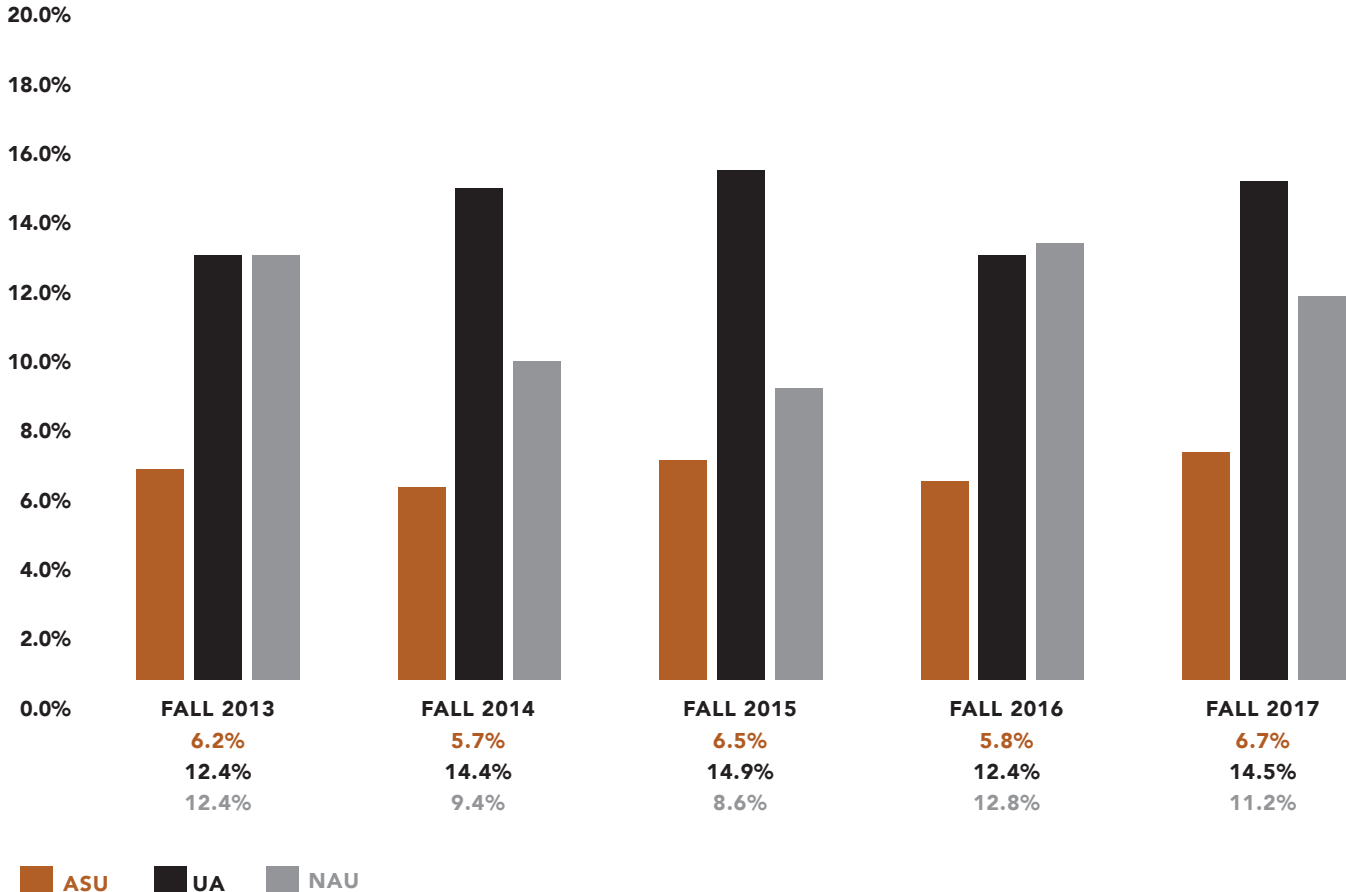
- Arizona’s public universities must diversify their revenue streams to maintain high quality education and offer innovative research opportunities while minimizing the cost burden on their students.
- Neither ABOR nor the universities shall acquire or lease property as a means solely to abate taxes.
- Commercial development opportunities on university property can play a critical role in advancing the mission of Arizona’s public university enterprise, including providing financial support, expanding academic and research opportunities, and enhancing university partnerships.
- Universities should prioritize real estate needs of the academic mission over commercial development.

**TALENTED FACULTY AND STAFF ESSENTIAL TO ARIZONA’S PUBLIC UNIVERSITIES**

Talented faculty and staff are essential to Arizona’s public universities to educate the next generation of students. Attracting and retaining the caliber of faculty and staff who can successfully meet the challenges of higher education is essential.

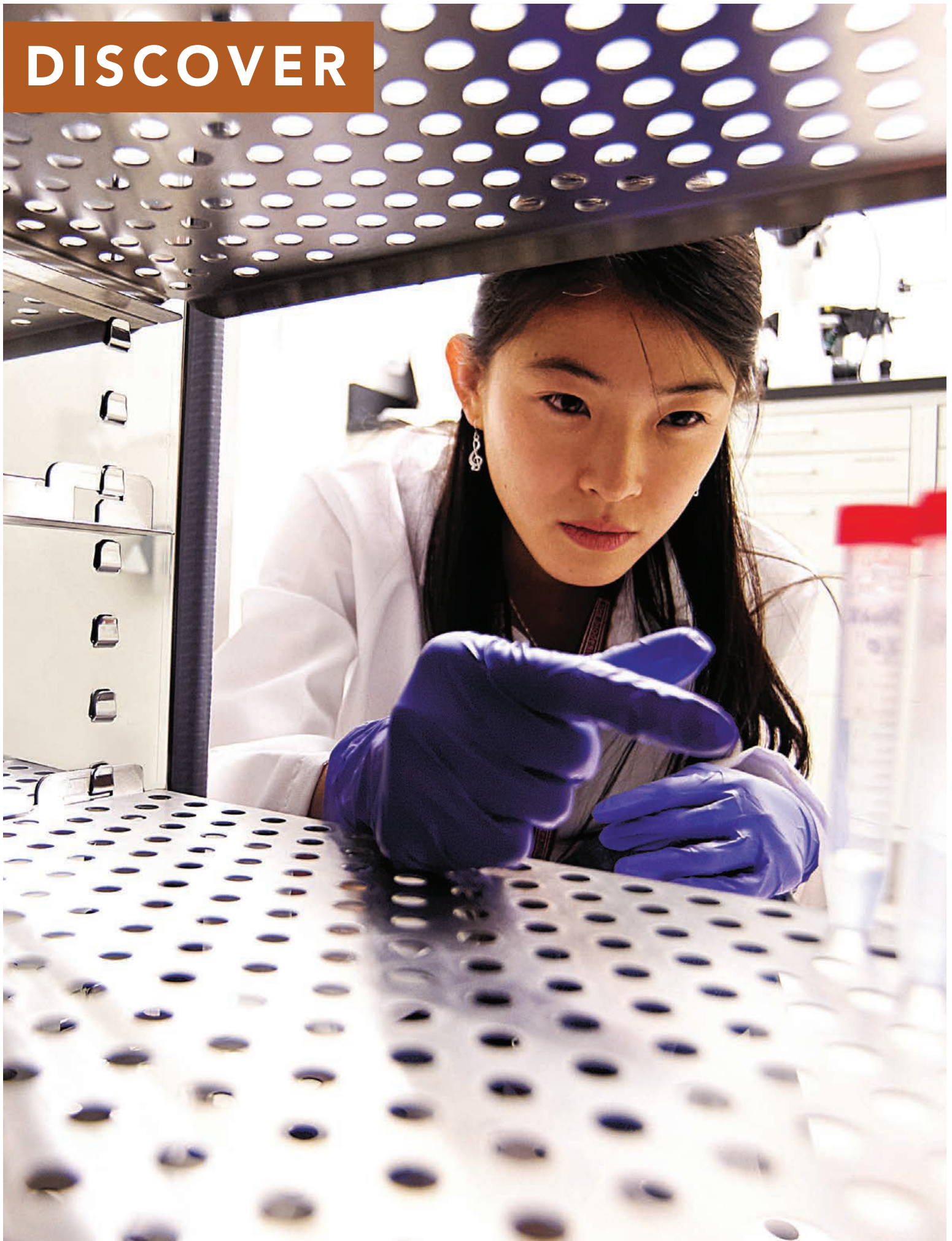
Arizona’s public universities have reallocated funds and used other university-generated revenues to bring salaries to levels that are more competitive. The projected unmet salary need for the Arizona university system is \$210.1 million for fiscal 2020, a decrease of nearly 17 percent from the fiscal year 2019 estimate. Employees’ salaries are projected to remain considerably lower than those at peer institutions and in other relevant markets through 2020.

**SALARIES AT ARIZONA’S PUBLIC UNIVERSITIES REMAIN BELOW MARKET**





DISCOVER





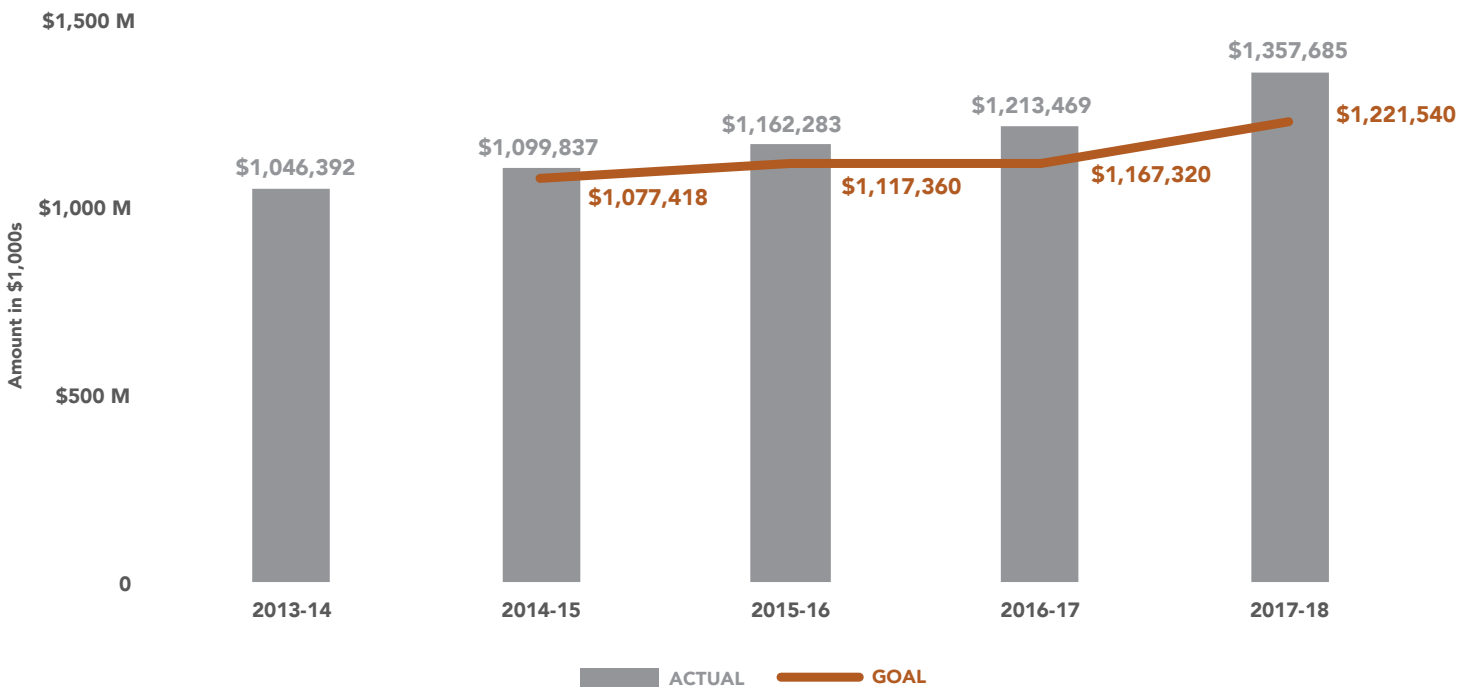
## RESEARCH IMPACTS ARIZONA'S ECONOMY

Research at Arizona's public universities infused approximately \$1.36 billion into Arizona's economy in fiscal year 2018. This significantly impacts Arizona's economy, competitiveness and growth. It also helps attract more businesses and bolsters the tax base for the state.

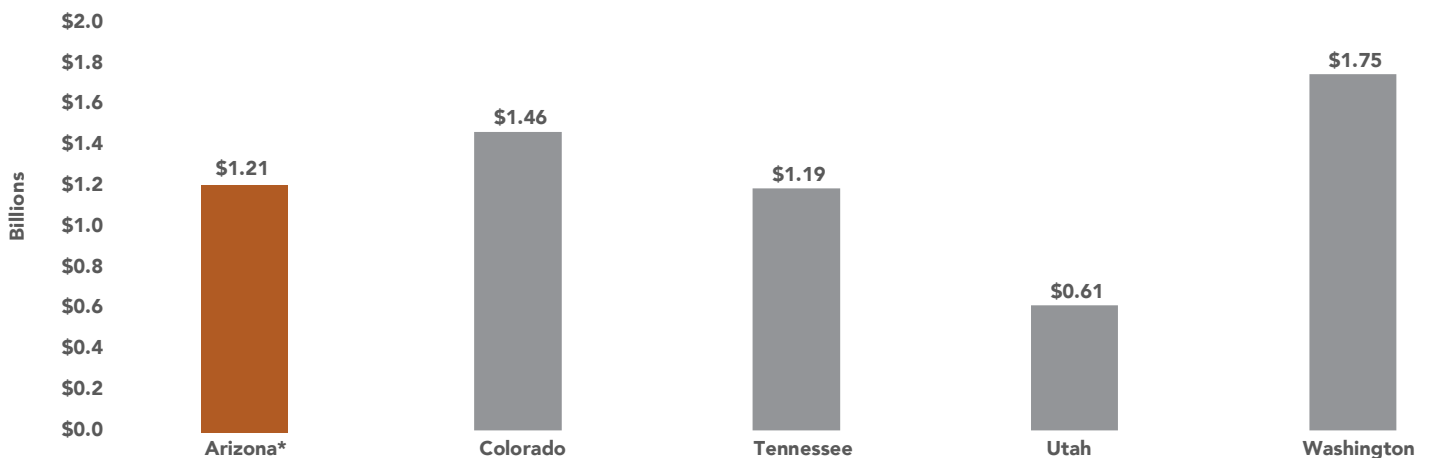
From new advancements in cancer diagnostics – including lung, breast, prostate and colorectal cancers – to technology that can identify individuals at risk of cardiovascular disease and sensor technology that can detect severity of impacts in sports injuries, research advances health and well-being. At Arizona's public universities, faculty and students work together to revolutionize next-generation discoveries and accelerate solutions to global problems. Research is leveraged by acquiring patents and licenses for discoveries, attracting investment dollars to fund research and helping researchers develop new companies for their products.

This is research with impact – focused on creating knowledge that translates to solutions for Arizona and around the globe.

### RESEARCH AND DEVELOPMENT AT ARIZONA PUBLIC UNIVERSITIES, FY 2018



### RESEARCH AND DEVELOPMENT ACTIVITY FOR FOUR-YEAR UNIVERSITIES, 2017



\*Arizona includes all four-year research institutions within the state.

## TECHNOLOGY AND RESEARCH INITIATIVE FUND DRIVES RESEARCH

Arizona’s public universities received approximately \$77 million in Technology and Research Initiative Fund (TRIF) revenue in fiscal year 2018 while TRIF-enabled university research attracted \$457 million in outside revenue, a return of almost five to one for Arizona.

TRIF funds directly fuel the advancement of research at Arizona’s public universities, driving economic development and new innovation in areas such as health, national security systems, optical sciences and energy solutions. TRIF dollars also support Regents Innovation Fund 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.

TRIF funds are from Proposition 301 that was extended in 2018. Prop. 301 increased the state’s sales tax to be dedicated to K-12, community colleges and Arizona’s public universities.

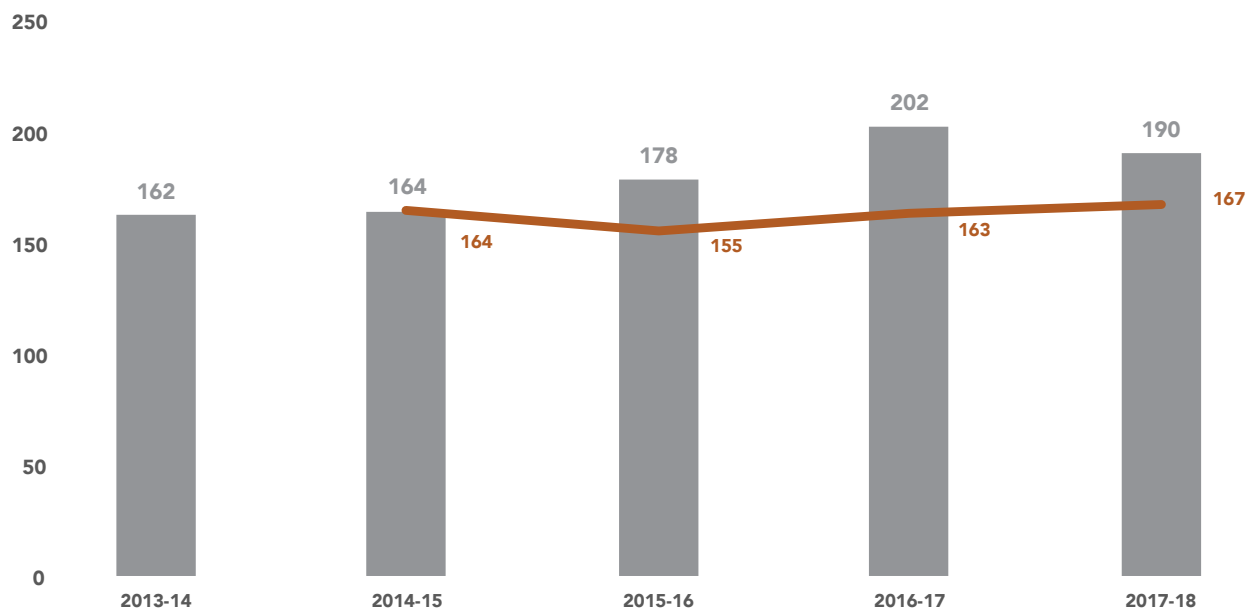
## FROM LAB TO MARKETPLACE: LICENSES, OPTIONS, INVENTIONS

Arizona State University and the University of Arizona produced 190 licenses and options in fiscal year 2018, surpassing the board’s strategic goal of 167. Universities license technology developed at the institutions to a broad spectrum of organizations and individuals for eventual commercialization. It is vital to translate discoveries and solutions to the marketplace to benefit society locally and around the globe.

Among inventions disclosures, 50 were received at Northern Arizona University for potential patents in fiscal 2018, surpassing the enterprise goal of 30. Increasing the number of invention disclosures from Arizona’s public universities increases patents issued, leading to new products, companies and jobs.

Transferring technology at Arizona’s public universities takes the power of research and innovation to the marketplace, impacting Arizona and the global community. Through research conducted at the universities, new discoveries prompt inventions, patents and companies created in Arizona. Beyond the economic impacts are real-world benefits that can change lives, improve health, make communities better places to live and spur new job creation.

### LICENSES AND OPTIONS



## UA UNVEILS STRATEGIC PLAN

University of Arizona President Robert Robbins unveiled to the Arizona Board of Regents his strategic plan to position the school as the land-grant university for a dynamic and changing world while ensuring students are prepared to be innovative, adaptive learners. Built around five distinct pillars, the student-centric plan has more than 90 initiatives.

Bold, comprehensive and ambitious, the plan establishes a 10-year vision for the university that is focused on: developing problem solvers who are prepared to lead meaningful lives and improve society in the Fourth Industrial Revolution; investing in discovery, research and innovation that tackles the world's biggest challenges; and leveraging Arizona's unique assets as a competitive advantage to become an integral and collaborative member of local and global communities.



## INCREASING AWARENESS OF THE VALUE PROPOSITION OF PUBLIC HIGHER EDUCATION

Sharing news and data from the board and universities in a transparent and accurate manner is a priority for the board as stewards of the state's public universities. Engagement with stakeholders throughout Arizona provides opportunities to share updates as well as challenges and opportunities at Arizona's public universities.

Through media relations, news and editorial content, expanding social and digital media presence and community outreach, the board continues to engage with the community and spread the word about the value of public higher education in Arizona. The board office also responds to constituent inquiries, with members of the public frequently contacting the board with inquiries focused on subjects including tuition, billing, residency as well as public records requests. During fiscal year 2019, the board office received 303 inquiries and comments, and 45 public records requests. Public record requests are fulfilled in a timely manner and there are no outstanding requests.

The board's website is a primary vehicle for the public to access board information and news. During the past year, the website was significantly redesigned and enhanced with more intuitive navigation for an improved user experience. The board's logo also was updated to more visually reflect the enterprise, incorporating the names of the universities as part of the graphic identity.

Regents, board leadership and staff continuously engage with numerous business, legislative, community, civic and philanthropic leaders to share updates from the board. A primary focus during the past year was sharing information about the need to increase educational attainment in Arizona. The board continued to strengthen its connection to the business community and policymakers, generating a bipartisan coalition of supporters and champions of higher education.



# CONCLUSION

From generating billions in economic impact to increasing degree production at all levels, the Arizona Board of Regents and Arizona's public universities are working to drive the state forward. Students, faculty and staff at the universities benefit from an innovative, entrepreneurial enterprise focused on quality, transparency and accountability. Public higher education in Arizona is more impactful than ever before for both the prosperity of our state and the success of our students. More information is available at [azregents.edu](http://azregents.edu).



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