



2021 ANNUAL REPORT



ARIZONA BOARD OF
REGENTS
ASU ♦ NAU ♦ UA

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ABOUT THIS REPORT

The Arizona Board of Regents Fiscal Year 2021 Annual Report filed in accordance with A.R.S. §15-1629 features news and accomplishments by the board and universities. Priorities for the board this year include: the health and safety of students, faculty and staff during a global pandemic; ensuring affordable access to the universities for students; conducting research that benefits the state's response to the COVID-19 pandemic as well as society; and increasing educational attainment to meet Arizona's workforce needs through the New Economy Initiative and Arizona Promise Program. Data reflected throughout the report represents the most current available.

ABOUT THE ARIZONA BOARD OF REGENTS

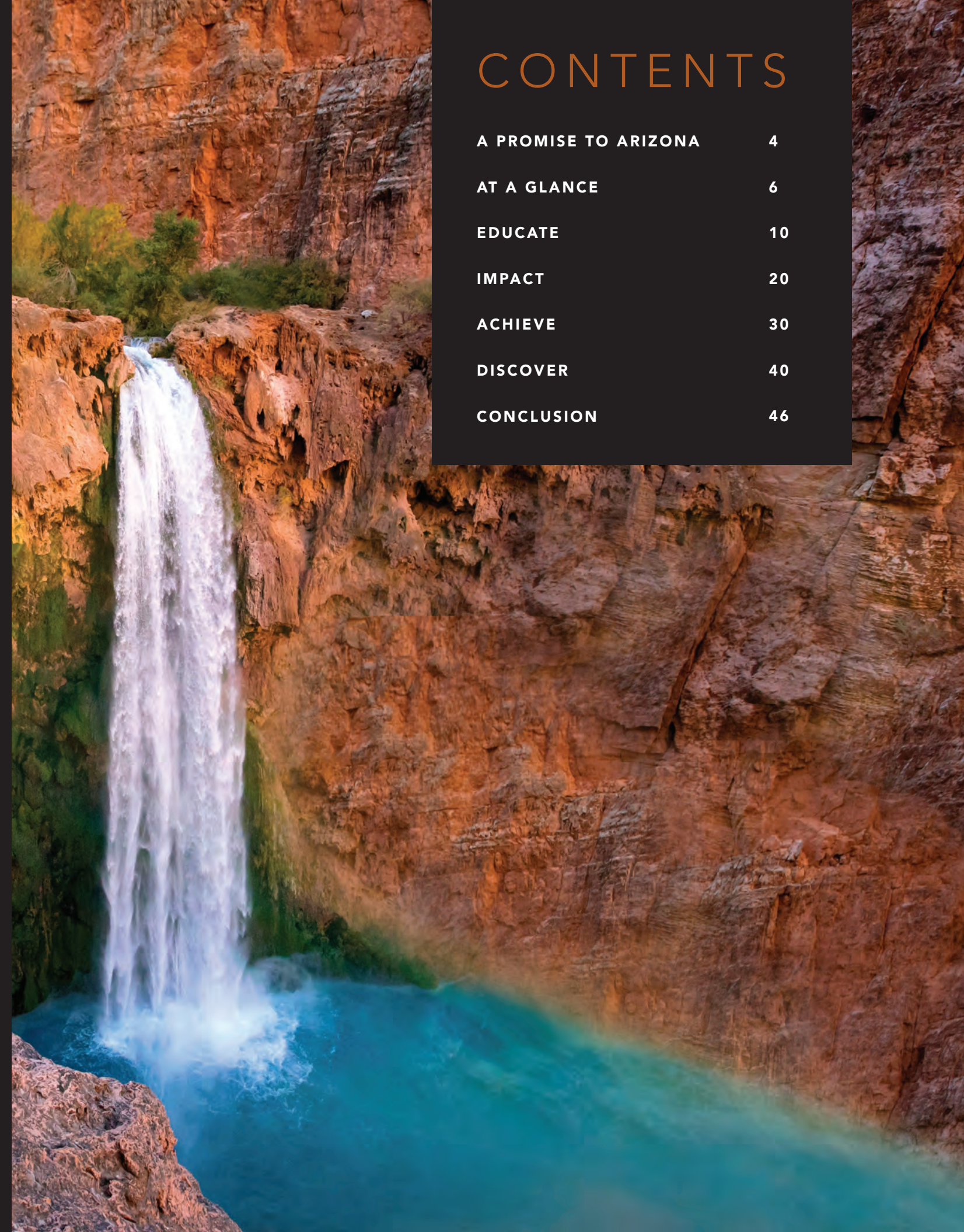
The Arizona Board of Regents is committed to ensuring access for qualified residents of Arizona to undergraduate and graduate institutions; promoting the discovery, application, and dissemination of new knowledge; extending the benefits of university activities to Arizona's citizens outside the university; and maximizing the benefits derived from the state's investment in education.

MEMBERS

Lyndel Manson, Chair
Fred DuVal, Chair Elect
Cecilia Mata, Secretary
Larry E. Penley, Treasurer
Robert J. Herbold
Jessica Pacheco
Bill Ridenour
Ron Shoopman
Nikhil Dave, Student Regent
Rachel Kanyur, Student Regent
Gov. Doug Ducey, Ex-Officio
Superintendent Kathy Hoffman, Ex-Officio

ABOR EXECUTIVE DIRECTOR

John Arnold





THE BOARD'S PROMISE TO ARIZONA

Increase postsecondary access and attainment for Arizona students; to seek solutions to societal challenges and to do both while increasing quality, affordability and efficiency.

It was 1864, nearly 50 years before Arizona's statehood, when the First Territorial Legislature authorized creation of the Arizona Board of Regents and its first institution of higher learning – the University of Arizona.

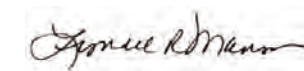
Colleges that would later grow to become Arizona State University and Northern Arizona University soon followed, each conceived in the same promise - that public higher education is vital to the prosperity and success of Arizona and must be made broadly accessible to all.

The same principle, instilled from the earliest days of Arizona's founding, continues to guide the Arizona Board of Regents and our public university enterprise today. The value of a college degree has only grown in this New Economy that places a premium on innovation, adaptability and technology. Likewise, it has never been more critical that we ensure the benefits of higher education are made available in every corner and across the full tapestry of Arizona.

It is in this same spirit that the board proposed the Arizona Promise Program which received \$7.5 million in state funding this year. The scholarship will cover tuition and fees for qualifying low-income, Arizona resident students who enroll at ASU, NAU or UArizona. This program is a recognition that our state will rise or fall together and cannot fulfill its potential unless economic opportunity is more widely shared.

Modern Arizona looks little like its frontier self. But we believe, then as now, in the power of public higher education to change lives, chart a new course and ensure Arizona and its people meet their fullest promise of a better shared future.

We are proud to share this annual report and the many accomplishments of this past year. On behalf of Arizona, the board remains committed to its promise to expand affordable access to Arizona's world-class public university system.



Lyndel Manson
Chair



John Arnold
Executive Director

AT A GLANCE

REGENT NEWS

Student Regent Nikhil Dave was appointed to the board by Gov. Doug Ducey on July 17, 2020. Regent Dave is a Flinn Scholar who studies neuroscience and innovation in society at ASU. He led several pandemic response efforts including winning the XPRIZE \$1 million Next-Gen Mask Challenge.

Regent Larry E. Penley concluded two consecutive terms as board chair in June, 2021. Regent Penley, whose term will expire in 2026, is the chief architect of the board's New Economy Initiative and he led the redesign of general education courses at the universities to focus on providing students with lifelong skills, including critical thinking and civil discourse.

Student Regent Anthony Rusk completed his two-year term as a student regent in June, 2021. During his term on the board, Regent Rusk led a tri-university workgroup to assess student food and housing insecurity and developed recommendations to help address and alleviate basic needs issues for students.

Student Regent Nikhil Dave (left) led a team of students - John Patterson, Jerina Gabriel, Katie Pascavis and Tarun Suresh - in winning the million-dollar XPRIZE Next-Gen Mask Challenge to redesign the face masks used to prevent the spread of COVID-19 by making them more comfortable, functional and affordable. The ASU team designed the Floemask featuring a bifurcated chamber design in which air exhaled from the nose is kept in a separate chamber so eyeglasses don't fog up. The contest drew nearly 1,000 entries from young innovators in more than 70 countries around the world.

ECONOMIC IMPACT

84,355

Total Jobs

67,803 direct
16,552 indirect/induced

\$11.1 B

Economic output for Arizona's economy

8.5 billion direct
\$2.6 billion indirect/induced

\$4.6 B

Total Wages

\$3.8 billion direct
\$0.8 billion indirect/induced

\$451.7 M

Total Taxes

\$180.8 million direct
\$270.8 million indirect/induced

*FY 2017 data, Economic and Fiscal Impact of the Arizona Public University Enterprise Report

RECORD ENROLLMENT, DEGREES AND AID

204,460

Total enrollment at Arizona's public universities

13,558

Number of graduate degrees conferred by Arizona's public universities

33,973

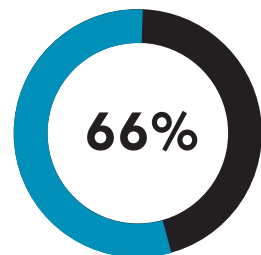
Number of bachelor's degrees earned by graduates of Arizona's public universities

\$981.2 M

Institutional gift aid awarded to 133,145 students from the universities

*FY 2021 Fall Enrollment Report, FY 2020 Financial Aid Report

THE VALUE OF A DEGREE



Percentage difference in median wages between individuals with a **bachelor's degree** (\$52,077) and peers with a high school diploma (\$31,371)

\$21.9 BILLION

Wages earned by nearly **318,000 graduates** of Arizona's public universities

123%

Percentage difference in median wages between individuals with a graduate degree (**\$69,902**) and peers with a high school diploma (**\$31,371**)

*FY 2018 Wages of Graduates Report, FY 2019 Graduate Wages Report



BOARD APPOINTS 17TH PRESIDENT OF NAU

Following an extensive national search, the board appointed José Luis Cruz Rivera as the 17th president of NAU in March 2021.

During his first address to the campus community, President Cruz Rivera pledged to “hit the ground learning,” listening to the teachers, learners, advocates and scholars to continue to build the legacy of NAU. He shared his vision of the university, a future characterized by a spirit of inclusion, transparency and shared governance. He shared his commitment to advance the university in providing excellent educational opportunities, broadening the frontiers of knowledge in key strategic areas for the region and the nation.

President Cruz Rivera joined NAU after having served as the executive vice chancellor and university provost at The City University of New York (CUNY).

ABOR Chair Lyndel Manson and Regent Fred DuVal served as co-chairs for the search committee, comprised of more than a dozen representatives from NAU administration, faculty, students, the community and the board.

“Dr. Cruz Rivera is an exceptionally qualified academic leader and his commitment to the legacy and future of NAU will ensure NAU remains an invaluable asset to our students and the state,” Chair Manson said.

“I VERY MUCH LOOK FORWARD TO OUR WORK TOGETHER AS WE CHART THE PATH FORWARD AND BLAZE THE TRAIL THAT WILL LEAD US TO THE **BOLD AND BOUNDLESS** FUTURE THAT AWAITS US.”

– NAU PRESIDENT JOSÉ LUIS CRUZ RIVERA





Arizona's public universities are the state's largest provider of higher education with a record 204,460 students enrolling in fall 2020. Online education is increasing at the universities, notably at ASU where 39.1 percent of students are enrolled in online degree programs. ASU's undergraduate online degree program enrollment was 40,485 in fall 2020 - a 21.2 percent increase from fiscal year 2020. Diversity is also on the rise at the universities with enrollment of Black, Hispanic, Native American and other historically underrepresented populations currently comprising 30 percent of enrollment at the universities – an 8.8 percent increase from the prior year. UArizona and NAU's Flagstaff campus are both Hispanic-Serving Institutions.



EDUCATE
DRIVE STUDENT EDUCATIONAL
SUCCESS AND LEARNING;
DELIVER A HIGH QUALITY
UNIVERSITY EDUCATION.



ARIZONA PROMISE PROGRAM OPENS DOOR TO OPPORTUNITY

Arizona is at an inflection point in its economic trajectory with a comparatively low college completion rate and a growing labor demand for workers with bachelor's degrees. On its current trajectory, only 18.5 percent of Arizona ninth graders will have a bachelor's degree by 2029, forcing the state to continue relying on out-of-state workers to fill high-paying jobs.

The Arizona Promise Program scholarship is designed to enhance Arizona's competitiveness by opening the door of opportunity to students from low-income families. With a guaranteed scholarship to cover university tuition and fees, higher education will be more accessible and affordable for more Arizona students and their families. The fiscal year 2022 state budget includes \$7.5 million for the program and the board pledges to cover all eligible students.



FINANCIAL AID IMPROVES ACCESS TO HIGHER EDUCATION FOR STUDENTS

Financial aid remains essential for students at Arizona's public universities. In 2020, Arizona's public universities collectively provided \$981.2 million in institutional gift aid. Since 2016, total institutional gift aid has increased \$358.9 million or 58 percent. Average need awards for undergraduates continue to increase and since 2016, these are up 16 percent.

The primary goal of financial aid is to ensure a university education at Arizona's public universities remains financially accessible to all academically eligible Arizona students. Several fiscal year 2020 indicators suggest the public universities are meeting this objective:

- While more students are relying on financial aid, default rates for students at Arizona's public universities are below the national average and remain the lowest among all Arizona higher education institutions.
- Debt upon graduation for students in Arizona with financial aid loans remains low compared to other public universities. Significant efforts by the board and the universities have led to real savings for students resulting improved tuition predictability and transparency.
- Forty-four percent of ASU, 44 percent of NAU and 52 percent of UArizona undergraduate students graduate with no debt.
- Only 11 states in the union have lower rates of student loan debt than Arizona. University graduates are also more likely to be employed and have stronger earning power five years after graduation – even after accounting for student loan repayments.

ZERO TUITION INCREASE FOR ARIZONA RESIDENT UNDERGRADUATES FOR SECOND YEAR

For the second consecutive year, there is no increase in undergraduate resident tuition at Arizona's public universities for the 2021-22 academic year. At ASU, there is no tuition increase for current and incoming students, both undergraduate and graduate, resident and non-resident.

"The past year has been incredibly challenging for our public universities and their students and families," said Regent Larry E. Penley. "We recognize the financial hardship faced by many students due to the pandemic and its impacts on the economy, so we appreciate the efforts of university presidents who have avoided any tuition increase for Arizona resident undergraduates for two consecutive years. As Arizona begins to emerge from this pandemic, ASU, NAU and UArizona will play a vital role in aiding our economic recovery and preparing these students for the workforce they'll soon join."

Arizona's public universities provide robust financial aid for students, providing access and affordable education for qualified Arizona students. In fiscal year 2020 alone, Arizona's public universities provided \$981.2 million for students. Institutional aid has increased at the universities 58 percent or \$358.9 million since 2016.

In addition to financial assistance, ASU and NAU also eliminated or reduced hundreds of fees as part of their sunset review of fees schedule. ASU reviewed 245 fees during 2020 and eliminated 242 of those fees with the rest unchanged. At NAU, 482 fees were reviewed, 219 were eliminated and 126 decreased with the remainder unchanged. Board policy requires the universities to review all existing academic fees at least once every 10 years. UArizona's scheduled sunset review is underway with initial results to be submitted next year.



There are few things in life as powerful as a great teacher, and the Arizona Teachers Academy is enabling more students at Arizona's public universities to realize their dreams of educating students. Each university operates a differentiated program with NAU offering bachelor's and master's degrees with certification at NAU Flagstaff, NAU statewide locations and NAU online. These delivery options include traditional bachelor's programs beginning with freshman students as well as transfer programs in partnership with community colleges and Grow Your Own programs in local communities.

ARIZONA TEACHERS ACADEMY FUNDING PROVIDES INCREASED OPPORTUNITIES FOR ASPIRING TEACHERS

Through the Arizona Teachers Academy, hundreds of new teachers are bringing their skills to Arizona's classrooms. The board received \$15 million for the Arizona Teachers Academy from Proposition 207 one-time dollars, and \$15 million was allocated in the state budget. Funding provides the academy with support for tuition waiver scholarships, National Board Certification support, induction services, administration and marketing.

The Arizona Teachers Academy offers a year-for-year full tuition scholarship for students who commit to teach in Arizona public schools. Each of the three public universities, Rio Salado Community College, Scottsdale Community College and Pima Community College, operates a unique academy allowing the enterprise to offer undergraduate and graduate students in rural and urban settings an opportunity to earn their teaching degree tuition free. Program graduates have a one-year grace period to begin teaching after completion, and graduates are tracked to determine whether they have met the teaching obligation in their student agreement.

ALL-ARIZONA ACADEMIC TEAM SCHOLARSHIPS EMPOWER COMMUNITY COLLEGE STUDENTS

The Arizona Board of Regents empowers community college students to realize their educational and career goals through tuition waivers and scholarships awarded to members of the All-Arizona Academic Team for leadership and excelling academic achievements.

This year marked the 25th year of the All-Arizona Academic Team Scholarship and benefitted more than 1,500 students. The virtual ceremony celebrated the outstanding academic achievements, community service and distinguished leadership of

students enrolled in Arizona's community colleges. All-Arizona students demonstrate academic excellence and intellectual rigor combined with leadership and service that extends their education beyond the classroom to benefit society.

The scholarship is indicative of the positive collaboration between Arizona's community colleges, its public universities and the Arizona Board of Regents.

WICHE PROGRAMS HELP ARIZONA STUDENTS SUCCEED

Arizona students continue to benefit from the Western Interstate Commission for Higher Education (WICHE) exchange programs. In fiscal year 2021, Arizona students who studied out of state saved \$18.2 million through WICHE programs.

Arizona is the largest supporting state in WICHE's Professional Student Exchange Program (PSEP). Due to a shortage of medical professionals, the program is critically important for western states to increase the supply of physicians, dentists, optometrists, podiatrists and veterinarians. During 2020-21, Arizona educated 160 PSEP students. Students are contractually required to return and practice their profession in Arizona or reimburse the funds paid on their behalf. In 2020-21, 141 PSEP students enrolled in health-care programs in Arizona.

The Western Regional Graduate Program allows graduate certificate, master's and doctoral students who are residents of WICHE states to affordably enroll in more than 1,340 graduate programs at 60 public

institutions in the West. The majority of students pay resident tuition rates and will never be charged more than 150 percent of resident tuition. During 2020-21, Arizona universities enrolled 352 WRGP students from other WICHE states.

The Western Undergraduate Exchange enables students to go out-of-state and pay 150 percent of resident tuition rather than the non-resident rate. Arizona had 7,181 WUE students last year at community colleges and universities who paid 150 percent of resident tuition. NAU educates more WUE students than any other WICHE participating school. During 2020-21, the university had 5,235 WUE students.

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.



The WICHE Professional Student Exchange Program (PSEP) provides partial financial support and preferential access for Arizona residents who choose careers in certain health professions which are not available at Arizona's public universities. The 2020-21 legislative appropriation for the PSEP program was \$4,078,000, which provided funding for 160 students.

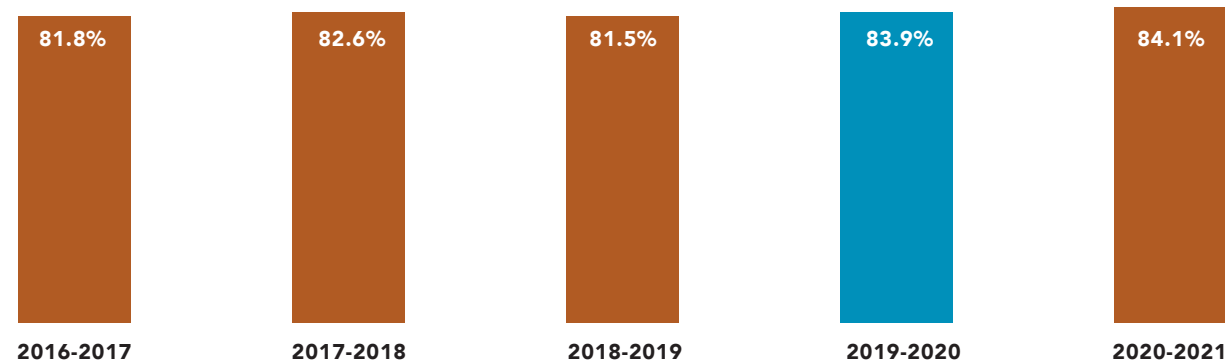
FIRST-TIME STUDENT RETENTION RISING AT ARIZONA'S PUBLIC UNIVERSITIES

First-time student retention rates are an important measure of student success as well as institutional effectiveness. The board tracks first-time student retention as part of its priority to advance the state's educational attainment goals and the development of a 21st-century workforce. First-time student retention was 84.1 percent during the 2020-21 academic year, up from the previous year at 83.9 percent.

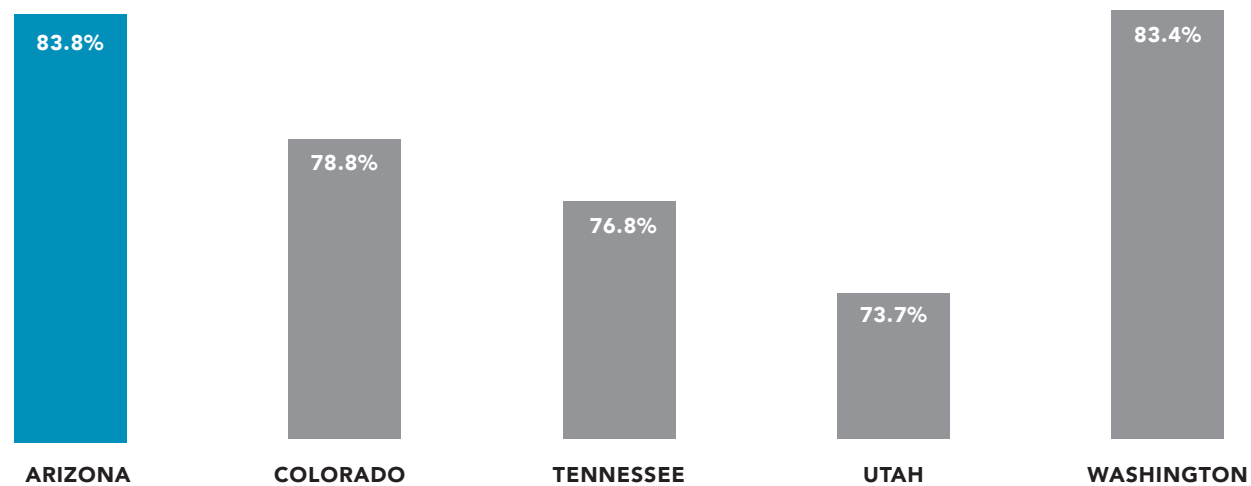
Additional findings from fiscal year 2021:

- Arizona resident students are retained at higher rates than non-resident students at all of the universities: 87.7 percent vs. 74.6 percent at ASU; 77.1 percent vs. 67.8 percent at NAU; and 83.8 percent vs. 78.5 percent at UArizona.
- At all three universities, on-campus students were retained at much higher rates than online students (85.9 percent vs. 49.2 percent at ASU; 73.9 percent vs. 48.5 percent at NAU; and 81.8 percent vs. 42 percent at UArizona). Online students constitute a small proportion of all first-time students - 10.5 percent at ASU; 1.2 percent at NAU; and 0.9 percent at UArizona.
- Variance in retention rates exists across degree programs at the universities. At ASU the bachelor's degree program in finance had the highest retention rate - 93.4 percent; at NAU, the bachelor's degree program in modern languages had the highest retention rate at 92.6 percent; and at UArizona the statistics and data science major and the dance major had the highest retention rates at 100 percent.

FRESHMEN RETENTION RATE



FRESHMEN RETENTION RATE IN 4-YEAR INSTITUTIONS OF COMPETITOR STATES, IPEDS 2019



TOTAL ENROLLMENT CONTINUES TO RISE

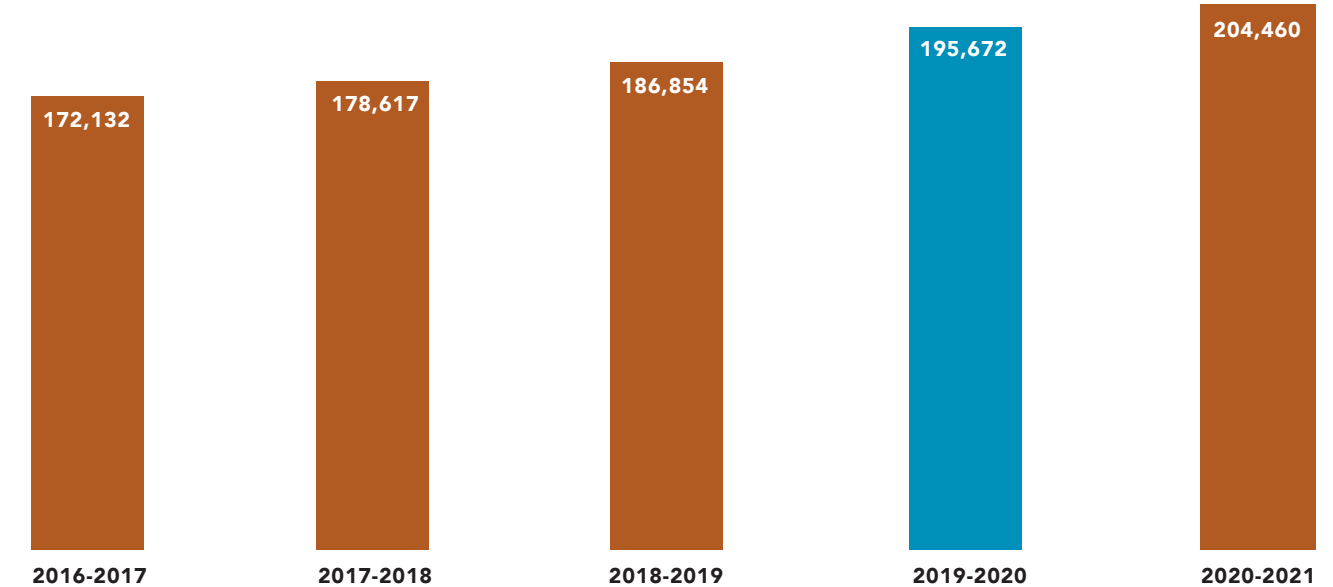
Arizona's public universities are Arizona's largest provider of higher education, enrolling 204,460 students in fall 2020, a 4.5 percent year-over-year increase from fall 2019. More than half of the total enrollment – 51.9 percent – are Arizona resident students.

In fall 2020, there was notable growth in the number of students taking online programs with a year-over-year increase of 12,040 online students and declines in on-campus, non-resident and international undergraduate students. Reasons for the slower on-campus enrollment growth include Arizona's demographic shift and the COVID-19 pandemic.

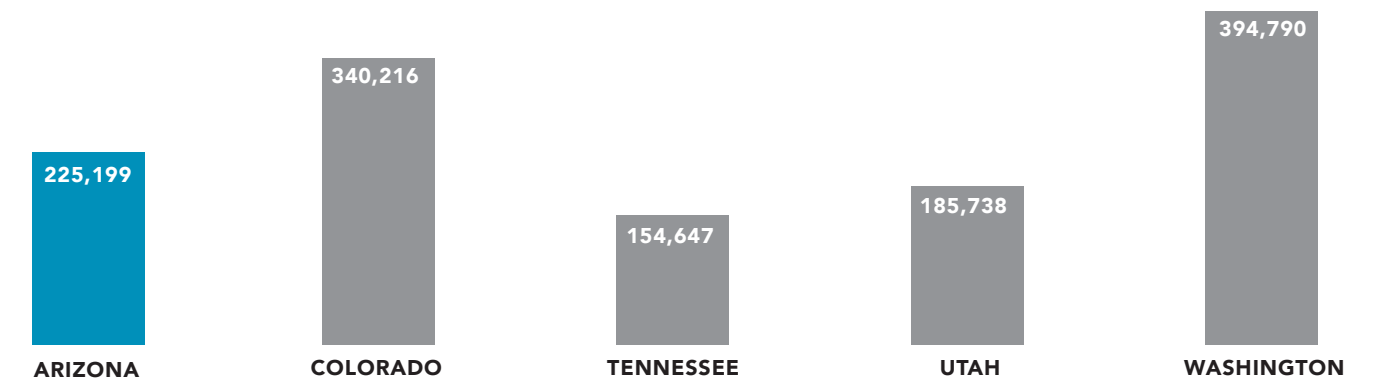
The pandemic impacted the universities' student enrollment mix – the number of international, out-of-state and in-state students that enrolled. The universities saw slower enrollment in out-of-state and international immersion students – traditional students taking in-person classes.

The undergraduate degree program with the largest enrollment at ASU is business with 8,855 students currently enrolled, biomedical sciences at NAU with 1,146 students and psychology at UArizona with 1,822 students. The master's degree program with the largest enrollment at ASU is special education with 2,426 students currently enrolled, organizational leadership at NAU with 244 students and business administration at UArizona with 506 students.

TOTAL ENROLLMENT



TOTAL ENROLLMENT IN 4-YEAR INSTITUTIONS OF COMPETITOR STATES, IPEDS 2019

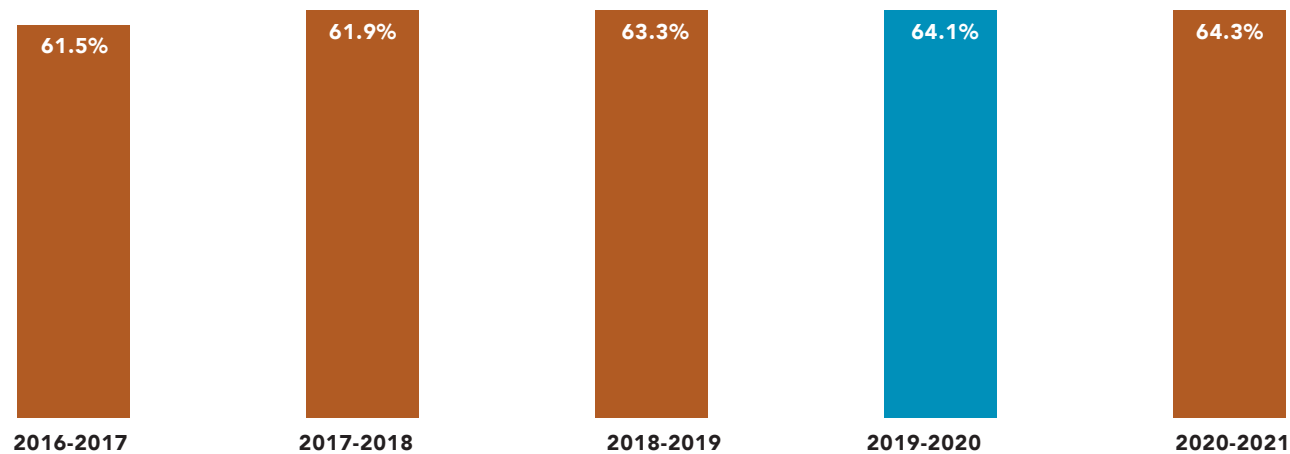


UNIVERSITIES' SIX-YEAR GRADUATION RATE STEADILY INCREASING

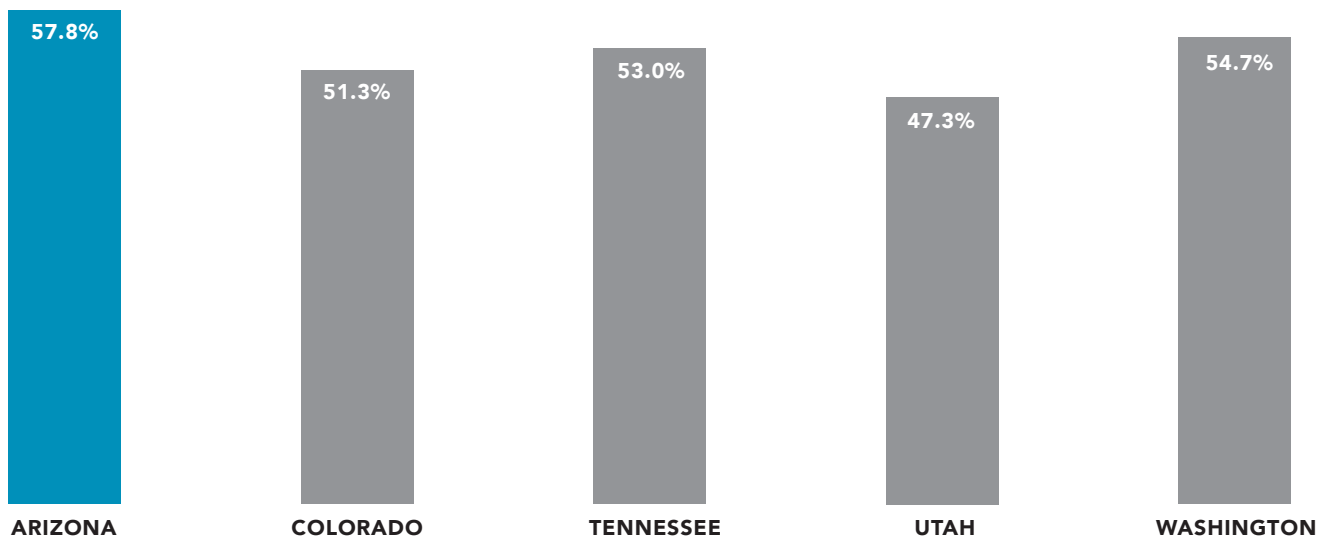
The six-year graduation rate during 2020-21 was 64.3 percent, an increase from the previous year at 64.1 percent. The six-year graduation rate is a federally required metric and reflects improved productivity through degrees awarded while ensuring undergraduate students graduate in a reasonable time frame.

Benefits of earning an advanced education - higher wages, lower unemployment and better quality of life - are well documented, yet the state lags the nation in terms of the number of Arizonans who go on to earn a college degree.

SIX-YEAR GRADUATION RATE



6-YEAR GRADUATION RATE IN 4 YEAR INSTITUTIONS OF COMPETITOR STATES, IPEDS 2019



Note - Bottom chart Arizona includes Diné College.

PATHWAYS PROGRAMS PROVIDE SEAMLESS TRANSFER TO UNIVERSITIES FOR COMMUNITY COLLEGE STUDENTS

Arizona's public universities offer community college students a seamless way to transfer credits to ASU, NAU and UArizona through pathways programs. Students can transfer to the universities through hundreds of these partnership programs.

Growth in undergraduate degrees that are awarded in four years to Arizona community college transfer students are measured as part of the board's strategic plan. In 2018-19, 7,671 transfer students earned bachelor's degrees. During the 2019-20 academic year, 10,176 students transferred from Arizona's community colleges to ASU, NAU or UArizona. Among new university freshmen, 18.5 percent came to college with Arizona community college credits.



Helping students navigate pathways between community college and the universities, AZTransfer is a statewide collaboration helping students reach their educational goals. During the 2019-2020 academic year, 54.7 percent of new transfer students from community colleges entered the universities with 60 or more credits and 18.5 percent of new university freshmen entered with community college credits. Earning a bachelor's degree or higher brings students higher wages on average and benefits the state workforce. For more than 20 years, academic leaders from each of Arizona's public postsecondary institutions have collaborated to support transfer student success through AZTransfer.

STATEWIDE TRI-UNIVERSITY TOUR HELPS FAMILIES NAVIGATE ADMISSIONS, FINANCIAL AID PROCESSES

Arizona's three public universities provide students and parents with tools and resources necessary to navigate college through the statewide Tri-University Tour. ASU, NAU and UArizona developed the Tri-University Tour to encourage residents of communities throughout Arizona to complete the college admissions process.

Last year's tour attracted more than 16,000 viewers who learned about admissions to the universities, more than 3,000 viewers who were informed about financial aid opportunities and more than 300 attendees who found out about transfer student admissions. The tour also offers information about each university.

Representatives from each university host a combined in-depth program where participants leave with a better understanding of Arizona's public universities - giving parents and students the resources necessary to make informed decisions about their future.

Arizona's public universities are committed to impacting the state and world through sustainability initiatives that lead to better quality of life and a healthier planet. NAU is one of the region's leading wind energy research institutions with research on wind and solar integration, resource assessment and optimization. ASU consistently ranks among the top universities making a difference in sustainable action. For the second year, the university retained the top national spot when it comes to impacts made in addressing United Nations Sustainable Development Goals. UArizona is similarly committed to sustainability, cutting its carbon footprint by one third through a 20-year agreement with Tucson Electric Power to send electricity to the university from renewable wind and solar sources.

IMPACT

ENGAGE AND SERVE OUR COMMUNITIES THROUGH INITIATIVES AND PARTNERSHIPS FOCUSED ON SUPPORTING, IMPROVING AND ENHANCING ARIZONA'S ECONOMY AND COMPETITIVENESS.



UPDATED STRATEGIC METRICS FOCUS ON STUDENT SUCCESS

The board’s updated enterprise-wide metrics and forecast measures, adopted in June 2020, form an important part of the board’s governance and accountability framework designed to measure university progress toward its promise to Arizona to increase postsecondary access and attainment for Arizona students.

This past year, the board and universities worked together to set three-year targets for each of the 15 enterprise metrics, as well as five-year estimates for 11 forecast measures. In June 2021, the board approved the metric goals and forecast measures for ASU and UArizona. Review of NAU’s metric goals and measures is forthcoming.

The 15 adopted enterprise-wide metrics reflect the areas of university performance that the board has a strategic interest in advancing through goal setting. For example, the board has adopted an enterprise-wide metric for resident bachelor’s degrees awarded to advance greater Arizona resident degree attainment.

The forecast measures provide the board with greater insight and understanding into the university plans and expectations in an area of focus. For example, the board adopted an online undergraduate enrollment forecast measure, which is intended to give the board insight into each university’s expected undergraduate online enrollment growth over the next five years.



UNIVERSITIES’ COVID-19 RESEARCH, COMMUNITY EFFORTS ESSENTIAL TO ARIZONA

From serving as mass vaccination sites to developing new testing methods, the university enterprise has been and remains critical to the state in responding to and managing the COVID-19 pandemic.

With extraordinary efforts focused on minimizing health risks for students and members of the university communities, the universities continued to move forward during the pandemic this past year, maintaining academic excellence and access to quality higher education.

While the universities continue to adjust operations based on public health recommendations, each

announced a return to campus for students for fall 2021, with in-person classes, staffing, activities and support as well as online and hybrid courses.

Visit the universities’ websites to learn more about up-to-date health and safety measures and protocols and their contributions in the fight against COVID-19.

COLLEGE GRADUATES EARN HIGHER WAGES

One of the smartest investments an individual can make is earning a college degree. Arizonans with college degrees earn more over the course of their lifetime, have lower unemployment rates and better quality of life than peers with a high school education.

According to the board’s most recent data from fiscal year 2018, Arizonans with a bachelor’s degree earn a median wage that is more than \$22,000 higher than those with a high school diploma. 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.

The state benefits in the form of increased tax earnings from college graduates. In 2019, 232,476 undergraduate degree recipients earned \$14.9 billion in Arizona wages and paid an estimated \$1.07 billion in state taxes while 85,869 graduate degree recipients earned \$7 billion in Arizona wages and paid an estimated \$497 million in state taxes.



INCREASING AWARENESS OF THE VALUE 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 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’s social media channels continue to increase followers and grow reach and engagement of board messaging.

The board office also responds to constituent inquiries with members of the public frequently contacting the board with questions focused on subjects including tuition, billing and residency as well as public records requests. During fiscal year 2021, the board office received 996 inquiries and comments, and 49 public records requests. Public record requests are fulfilled in a timely manner and there are no outstanding requests.

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 this past year has been on increasing awareness of the New Economy Initiative and workforce development. Numerous business, community and advocacy leaders provided testimonials on the importance of the initiative to the future economic vitality of the state.



VIRTUAL REGENTS’ CUP CELEBRATES FREE SPEECH AND CIVIL DISCOURSE AT ARIZONA’S PUBLIC UNIVERSITIES

Arizona State University won the 2021 Regents’ Cup for the second consecutive time in the Arizona Board of Regents’ debate and speech competition.

Hosted virtually due to COVID-19, ASU students Abigail Spencer and Langston Tillman took first place in the Oxford debate portion of the Regents’ Cup competition. University of Arizona student Daniel Gyorffy took first place in storytelling. The students each won \$15,000 in a one-time scholarship to further their educational goals.

Thirty-eight students from Arizona’s public universities competed during the day-long event, a competition showcasing Arizona’s public universities commitment to freedom of expression.

Arizona’s public universities are recognized as exemplars in free speech; ASU, NAU and UArizona are all recognized with a green light rating, the highest rating by the Foundation for Individual Rights in Education.



The Sandra Day O’Connor Institute conserves the O’Connor House in Tempe, Arizona as an icon for civil discourse and civic engagement. As Arizona’s three public universities came together in celebration of free speech for the 2021 Regents’ Cup, former Regent Karrin Taylor Robson and former Arizona Representative Art Hamilton discussed the importance of free speech on college campuses and Justice O’Connor’s legacy at the O’Connor House.

PHOENIX BIOMEDICAL CAMPUS SHOWCASES INNOVATION, PARTNERSHIPS

Established in 2004, the 30-acre Phoenix Biomedical Campus, located in the heart of downtown Phoenix, brings together Arizona's three public universities and other health and bioscience entities in a collaborative space to advance Arizona's healthcare workforce, biomedical research and innovation ecosystem. Last year, David Krietor was appointed as the first-ever executive director of the Phoenix Biomedical Campus.

In fiscal year 2021, new developments on the campus include the Wexford Phoenix Biomedical Campus Building 1; and UArizona Health Sciences developing floors in the Biomedical Science Partnership building for College of Medicine - Phoenix and clinical partners' research. Market research conducted in perceptions, brand and research opportunities led to new insights that will continue to drive the campus forward, and a new communications and marketing plan for the PBC is building increased awareness and brand cohesion.

Today, the PBC is a premier environment for research activities, including pharmaceuticals, life and biosciences, medical devices, digital health and data science. It contains among the highest concentrations of research scientists and complementary research professionals in the region, providing firms with unprecedented opportunities for growth and collaborative efforts with industry leaders.

1.95 M+

Current total square footage for research, academic and clinical facilities

15+

Private and public partners located downtown

\$3.1 B

Expected annual economic impact for the state by 2025

8,000+

Number of jobs created through the Phoenix Biomedical Campus



Grand Opening of New Innovation Center on PBC Campus
After breaking ground two years ago, the 225,000-square-foot Wexford Phoenix Biomedical Campus Building 1 on the Phoenix Biomedical Campus officially opened in March 2021. Designed for a thriving knowledge community, ASU is leasing approximately 112,000 square feet — half of the building — and the remainder of the building is occupied by private-sector companies, leading to synergy that forges discovery and innovation. The building features wet and dry labs, office and retail space, and is LEED Gold certified.

A PROMISE TO INCREASE ACCESS

TRI-UNIVERSITY PARTNERSHIP ENHANCES PUBLIC HIGHER EDUCATION IN ARIZONA

Enhancing public higher education in Arizona through student success, technology solutions, cost effectiveness and sharing best practices is the focus of the Arizona Innovation Alliance (AIA). Launched by the board this past year, this tri-university partnership encourages collaboration for innovation and sharing best practices that achieve the Arizona Board of Regents’ promise of access and attainment while increasing quality, affordability and efficiency.

With an initial focus on improving overall student success, the AIA is concentrating on traditionally underserved populations. In collaboration with Arizona Western College, the AIA’s Yuma initiative aligns with the alliance’s overarching focus on improving the retention, graduation and academic performance of traditionally underserved students, ensuring students from all walks of life increasingly have access to higher education.

The tri-university partnership also deploys educational practices and programs that combine high standards of student outcomes with cost effective teaching and student support. The Alliance will also work to support student access and educational goals through innovative approaches to resource allocation, financial aid, program design and more.



NEW ECONOMY INITIATIVE WILL GROW WORKFORCE TALENT, ENSURE ECONOMIC OPPORTUNITY

The New Economy Initiative is a targeted approach to workforce and economic development in high-value industries to enhance Arizona’s competitiveness with investments in areas of strength at its three universities. The fiscal year 2022 budget includes \$68.5 million in ongoing funds and \$37.4 million in one-time dollars for the New Economy Initiative.

ASU will rapidly grow their schools of engineering, establish multiple Science and Technology Centers, and develop their education programs to accelerate and deploy new ways of learning across high demand fields. NAU is focused on expanding critical health-care programs to reduce industry shortfalls in nursing, allied health and behavioral health. UArizona will increase capacity and educational programming in national security and space technology, enhance training and capabilities of medical professionals and researchers, and establish Arizona’s only School of Mining.

Investing in quality economic development programs such as the New Economy Initiative can yield a significant return on investment for Arizona. For example, if new business opportunities increase by as little as 10 percent, the 10-year state and local fiscal impact will grow by another \$700 million with 25,000 new jobs created.



ACHIEVE

ADVANCE EDUCATIONAL
ACHIEVEMENT WITHIN ARIZONA;
LEAD THE EFFORT TO INCREASE
THE NUMBER OF ARIZONANS
WITH A COLLEGE DEGREE
OR CERTIFICATE.

During the University of Arizona College of Medicine – Phoenix White Coat Ceremony, students formally enter into the field of clinical medicine by receiving their white coats. Arizona’s public universities educate hundreds of health-care workers each year, individuals who go into high-demand fields as nurses, doctors, physical therapists, respiratory therapists and more. The board’s New Economy Initiative is designed to prepare a pipeline of in-demand professionals in health care and other key industries for Arizona’s future.

NATIONAL AND INTERNATIONAL RANKINGS RECOGNIZE EXCELLENCE

ASU, NAU and UArizona are among the most innovative universities in the nation, consistently producing excellence in research, academics and student outcomes. National and worldwide rankings recognize the universities' leadership among institutions of higher learning.

ARIZONA STATE UNIVERSITY

#1

No. 1 in the U.S. and No. 9 in the world for global impact by Times Higher Education for advancing the United Nations' Sustainable Development Goals

#1

No. 1 in U.S. for innovation by U.S. News & World Report's "Most Innovative Schools" list since the inception of the category in 2016

#16

No. 16 in undergraduate teaching by U.S. News & World Report

NORTHERN ARIZONA UNIVERSITY

#9

Ninth in the nation for awarding bachelor's degrees and eighth in the nation for awarding master's degrees to Native American students according to Diverse Issues in Higher Education 2020 rankings

TOP 100

Top 100 for research without a medical school by National Science Foundation

#9

No. 9 best college town in the nation by USA Today

UNIVERSITY OF ARIZONA

#1

No. 1 in astronomy research by National Science Foundation (Publics)

#2

No. 2 in water resources by Shanghai Ranking of World Universities

#1

No. 1 in management information systems by U.S. News & World Report (Publics)

MORE BACHELOR'S DEGREES AWARDED; ARIZONA CONTINUES TO LAG NATION IN ATTAINMENT

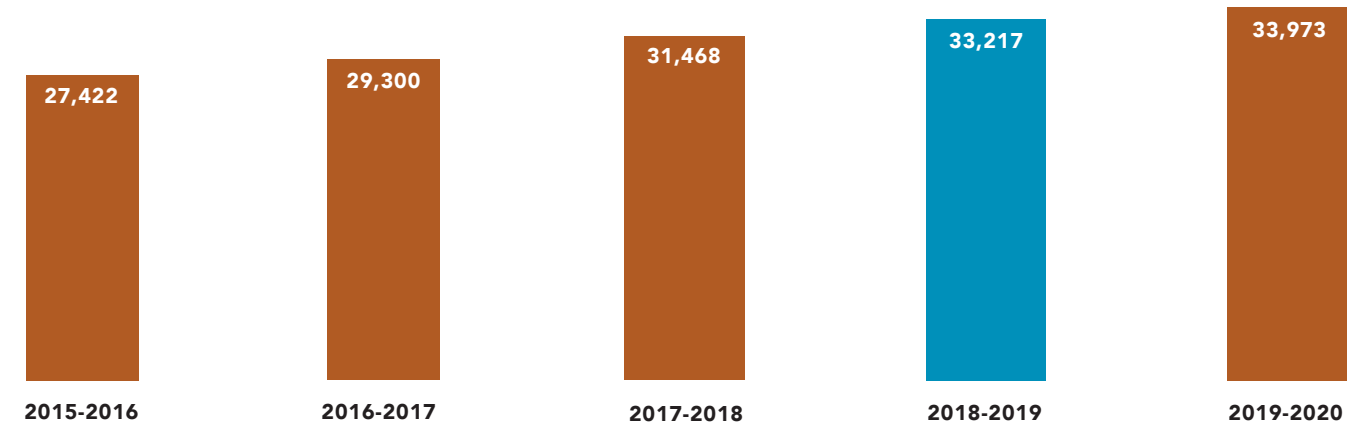
Representing historic growth, Arizona's public universities awarded more bachelor's degrees to students in 2020 than at any other point in the state's history. Arizona's economic competitiveness depends on Arizona's public universities continuing to produce more degrees and increase degrees in high demand fields. In 2020, the universities awarded nearly 34,000 bachelor's degrees, an increase of 756 or 2.3 percent from last year.

The number of bachelor's degrees awarded in engineering and health-related fields continued to set new records in 2020. The universities awarded 2,708 bachelor's degrees in engineering fields, an increase of 72.2 percent since 2015. The universities similarly awarded more bachelor's degrees in the health fields than at any time in their history, awarding 2,879 degrees, a 46.6 percent increase since 2015.

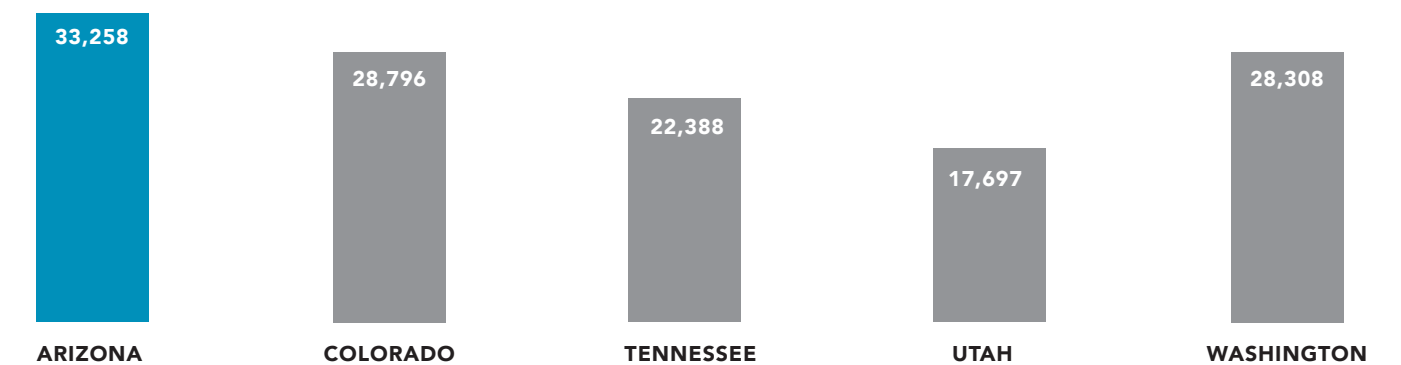
The number of bachelor's degrees awarded to historically underrepresented populations continues to increase year-over-year with 9,463 bachelor's degrees awarded in 2020.

Although students at Arizona's public universities earned a record numbers of degrees, Arizona continues to lag the national average in the number of residents with a bachelor's degree. According to the most recent census numbers, 30.2 percent of Arizona's population has a bachelor's degree or more while the national average is 33.1 percent. Increasing educational attainment is crucial for Arizona as the population ages and jobs increasingly demand education past high school.

TOTAL BACHELOR'S DEGREES AWARDED



BACHELOR'S DEGREES AWARDED IN 4-YEAR INSTITUTIONS OF COMPETITOR STATES, IPEDS 2019



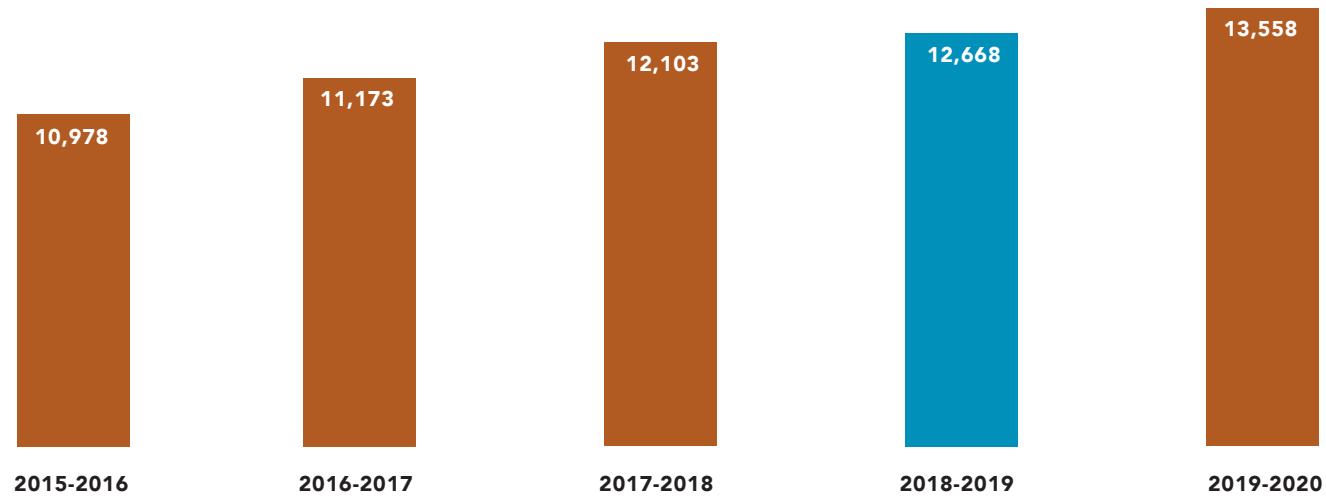
Note - Bottom chart Arizona includes Diné College.

UNIVERSITIES CONFER RECORD NUMBER OF GRADUATE DEGREES

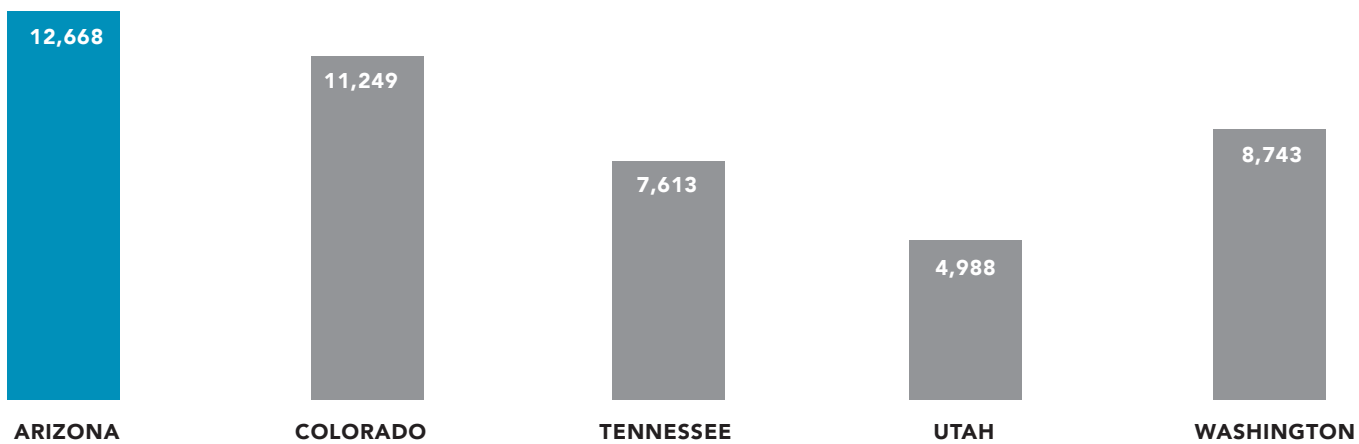
Arizona's public universities in 2020 conferred 13,558 graduate degrees – a record number of master's and doctoral degrees awarded.

The universities awarded 11,387 master's degrees with the greatest numbers in the fields of education, business management, engineering, health professions and public administration. The universities also conferred 2,171 doctoral degrees with the greatest numbers in the fields of health, legal professions, engineering, education and physical sciences.

GRADUATE DEGREES



GRADUATE DEGREES AWARDED IN 4-YEAR INSTITUTIONS OF COMPETITOR STATES, IPEDS 2019



FISCAL YEAR 2022 BUDGETS INCLUDE PROJECTED REVENUES AND EXPENDITURES

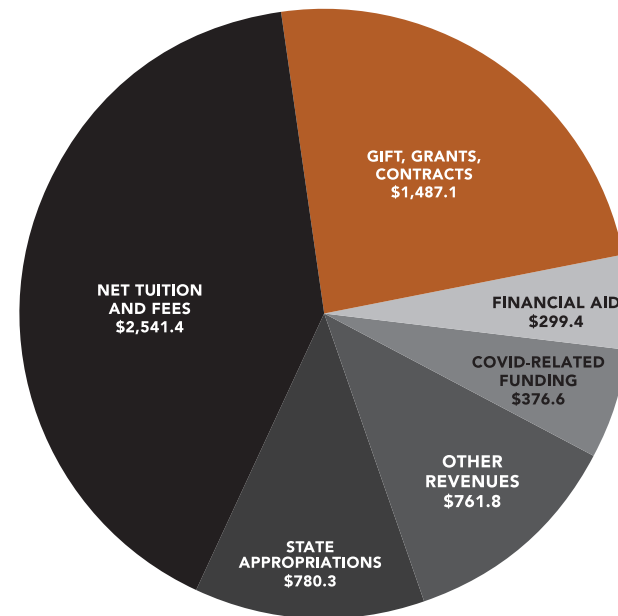
Board approved fiscal year 2022 budgets for the enterprise contained preliminary state appropriations as state appropriations weren't finalized.

The annual budget for ASU, NAU, UArizona and the ABOR office combines general purpose, designated and restricted fund budgets into a consolidated budget format that includes projected revenues and expenditures for the fiscal year for each university and the system office.

The fiscal year 2022 annual budget for the universities and system office totals \$6.2 billion. State general fund appropriations represent 12 percent of the total budget. The combination of state general fund and net tuition and fee revenues make up slightly over half of the total budget at approximately 53 percent.

Funding priorities for the board are the New Economy Initiative, a plan to grow the next generation of workforce talent as technology continues to transform work, and the Arizona Promise Program, a college scholarship to cover tuition and fees for low-income students to increase college going and completion in Arizona and provide educated workers for New Economy jobs.

FY 2022 ANNUAL BUDGET \$6.2 BILLION



OPERATIONAL AND FINANCIAL REVIEWS REFLECT UNIVERSITIES' PROGRESS AGAINST ABOR GOALS

As part of its constitutional responsibility to ensure Arizona's public universities accomplish their public purpose and mission, the board conducts periodic in-depth reviews of the operations and finances of each university as part of its focus on accountability and transparency as well as to fulfill its fiduciary duties. The review provides regents with a clear understanding of the progress of each university against ABOR assigned goals and informs enterprise decision-making.

Among highlights presented in ASU's OFR in February 2021 were discussion of the three pillars that anchor the university – the academic, knowledge and learning enterprises; advancing teaching and learning through varied course delivery modalities; and COVID management and service to the state during the pandemic including robotic saliva testing and wastewater testing.

During UArizona's OFR presented in April of 2021, highlights included rankings of distinction earned by the university; COVID-19 management and aid to the state; research expenditure increases and highlights such as hypersonics and the Center for Quantum Networks; strategic plan advances; sustainability initiatives; and the university's new Wonder brand campaign.

NAU will present their OFR during an upcoming ABOR meeting.



As part of the New Economy Initiative, ASU is committed to growing the state's engineering workforce. ASU engineering and technology graduates attract major companies, start new ones and help those here continue to grow and create high wage jobs, supporting the state's economy. In 2019-20*, ASU conferred more than 4,600 engineering degrees. Here, Brent Nannenga, associate professor of chemical engineering in the ASU Ira A. Fulton Schools of Engineering leads his engineering lab and students in refining the method of microcrystal electron diffraction, an innovative technique that is advancing discovery in fields such as pharmaceuticals.

*Most current available data.

UNIVERSITIES OFFER WIDE VARIETY OF DEGREES AND PROGRAMS

Arizona's public universities offer students many degree and program options ranging from bachelor's to doctoral degrees. Academic programs offered in 2020-21 at the universities:

- ASU offered 196 bachelor's degree programs, 217 master's degree programs, 97 doctoral degree programs, 128 baccalaureate certificate programs and 98 graduate certificate programs. Programs are offered at the Downtown Phoenix campus, Tempe campus, Polytechnic campus, West campus, Lake Havasu and multiple locations throughout Arizona.
- NAU offered 96 bachelor's degree programs, 67 master's degree programs, 20 doctoral degree programs, 47 baccalaureate certificate programs and 38 graduate certificate programs. In addition to the Flagstaff Campus, NAU operates more than 20 sites, which offer a range of undergraduate and graduate programs to meet community needs.
- UArizona offered 173 bachelor's degree programs, 166 master's degree programs, 113 doctoral degree programs, four first professional programs, three specialist programs, 104 graduate certificates and 34 undergraduate certificates.

CAPITAL PROJECTS ENABLE STUDENT SUCCESS

Capital projects approved by the board enable student success and provide advanced facilities for research, academics and events at the universities.

During the past year, capital projects approved by the board include: ASU - Multipurpose Arena & Olympic Sports Training Facility, Bateman Physical Sciences Center improvements; NAU - Interdisciplinary Science and Technology Building, Cline Library Expansion and renovation; and UArizona Engineering Design Center, College of Architecture, Planning and Landscape Architecture reconfiguration.

UNIVERSITIES' SPORTS TEAMS SCORE MAJOR VICTORIES

It was a year to celebrate in athletics at Arizona's public universities.

Wildcat fans witnessed UArizona Women's basketball team, led by Coach Adia Barnes, march all the way to the NCAA championship game for the first time in the university's history.

For the 24th time in program history, the UArizona softball team competed in the Women's College World Series. UArizona is one of only five colleges to qualify for the Women's College World Series and the Women's Basketball Final Four in the same season – and the first to do so since 2007. In addition, the UArizona baseball team competed in the College World Series for the 18th time in program history, and the men's tennis team advanced to the Round of 16 in the NCAA Tournament for the first time in school history.

ASU water polo flourished into a top-four program this year while also hosting the Mountain Pacific Sports Federation Championship. The team tied for third place at the NCAA Championship, matching men's golf for the best NCAA finish of the year. It also marked the best

men's golf finish since it won the NCAA Championship in 1996.

Sun Devils earned four individual NCAA titles in track and field, and both the men and women finished in the top 10, marking the first time the men placed in the top 10 since 2010 and the third time in the last four years that the women have been in the top 10. Wrestling posted its best NCAA finish (fourth) since 1995 and also took home the Pac-12 title.

At NAU, the men's Cross Country team won its fourth national title in five years at the NCAA Championship. For the fourth time in school history, NAU claimed the Big Sky Conference Presidents' Cup recognizing overall success in the classroom and athletic competition. NAU also swept the Big Sky Conference All-Sport Trophies, marking the third time in the last four years that the Lumberjacks claimed both the Men's and Women's All-Sport Trophies. (Trophies were not awarded for 2019-20.) In swimming and diving, NAU won their eighth consecutive Western Athletic Conference championship.



STUDENT ATHLETES TRAIN TO COMPETE AT HIGHEST LEVELS FOR TOKYO OLYMPICS

Elite student athletes and alumni from Arizona's public universities spent much of the past year preparing to compete at the highest levels at the Tokyo Olympics. From ASU, athletes included swimmers Jarod Arroyo (bottom, left) and Leon Marchand, and Jorinde van Klinken in track and field and discus. Three former NAU athletes went to the Olympics, Brooke Andersen who competed in the hammer throw and 5K competitors Luis Grijalva (bottom, right) and two-time Olympian David McNeill. UArizona student athletes who trained for the competition included diver Delaney Schnell (top), Shaina Pellington - a key contributor during the women's Final Four run and Dejah Mulipola in softball.



DISCOVER

DISCOVER NEW KNOWLEDGE
- CREATE NEW KNOWLEDGE,
COLLABORATIONS, INVENTIONS
AND TECHNOLOGY TO SOLVE
CRITICAL PROBLEMS AND
ENHANCE LIVES.

Arizona's public universities are exploring new frontiers in space, planetary defense and astronomy. Onboard NASA's Mars 2020 Perseverance rover (pictured) that landed on Mars in February was the ASU-led mast-mounted camera system "Mastcam-Z." This camera system can zoom from wide angle to telephoto, take 3D images and videos, and take photos in up to 11 unique colors, allowing the Mars 2020 rover to provide a detailed examination of both close and distant objects on Mars. The UArizona led OSIRIS-REx spacecraft is bringing asteroid samples back to Earth after nearly five years in space and research at NAU focuses on areas including detecting properties of asteroids that could impact Earth and studying the geology of Mars. As demand rises for workers in space technology, planetary defense and national security careers, the New Economy Initiative supports this job growth by educating students for these careers and jobs in other high-demand fields, including hypersonics, health care and engineering.



RESEARCH DRIVES SOLUTIONS

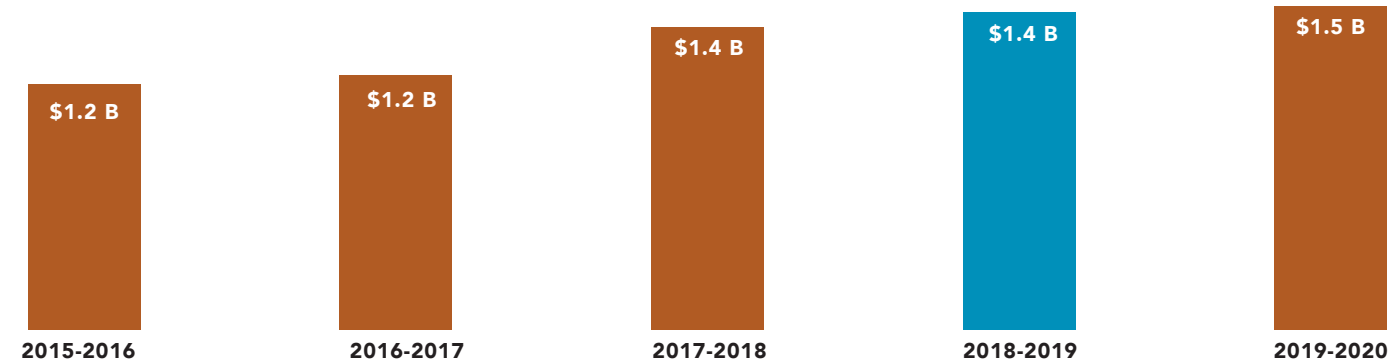
Arizona’s public universities substantially increased research activity during the past year while pivoting efforts of hundreds of researchers to aid the state’s response to the COVID-19 pandemic. In fiscal year 2020, Arizona’s public universities research expenditures increased year-over-year by \$55.1 million or 3.8 percent to exceed \$1.488 billion and surpassing the board’s strategic goal of \$1.393 billion.

Pivoting the efforts of hundreds of researchers at the universities to aid in the pandemic was crucial, yet the research enterprise accomplished additional major milestones during the year. OSIRIS-REx travelled to the asteroid Bennu and collected a sample before beginning the long trek back to Earth. Research at the universities encompassed issues affecting Arizona today – forest and ecosystem health, fighting obesity, predicting climate trends and heat waves, addressing health inequities, filling critical gaps in health care and advancing cybersecurity among myriad additional innovations at the universities. A core mission among Arizona’s public universities is the discovery of new knowledge, and all three of the universities are internationally recognized for their research activity.

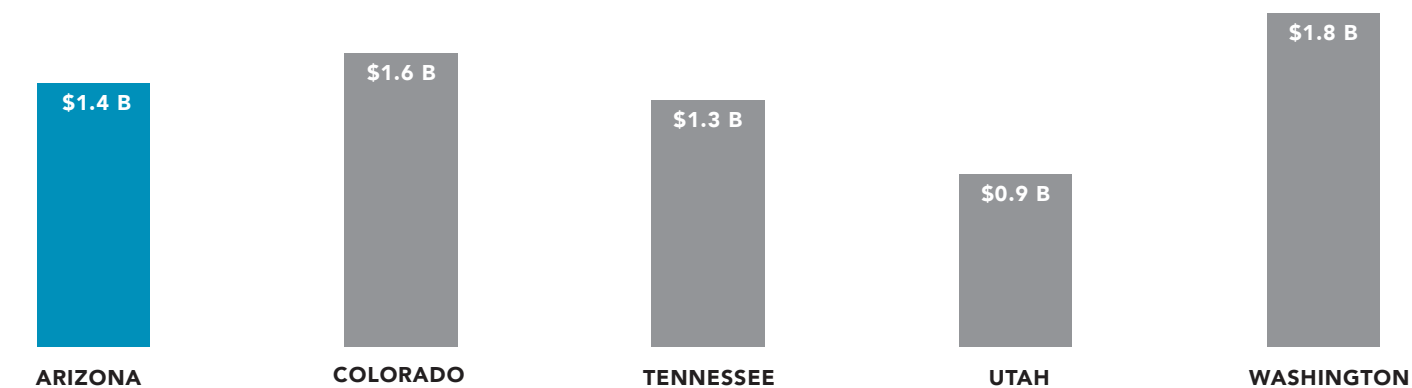
Arizona State University and UArizona are among the nation’s elite 131 universities classified as “R1: Doctoral Universities - Very High Research Activity,” and NAU is among the nation’s exceptional 135 universities designated “R2: Doctoral Universities - High Research Activity.”

The universities’ research missions are crucial as the research created at Arizona’s public universities is an essential part of Arizona’s economic future and the means by which new technologies are created and discoveries are made, thereby enhancing the lives of Arizonans. The universities’ research activities in fiscal year 2020 also provided wages and tuition support for almost 20,000 faculty, staff and students.

TOTAL RESEARCH EXPENDITURES



TOTAL RESEARCH EXPENDITURES IN 4-YEAR INSTITUTIONS OF COMPETITOR STATES, IPEDS 2019



Through the board’s New Economy Initiative that is designed to build Arizona’s future workforce, the state this year invested \$3.5 million for UArizona’s hypersonic wind tunnel facilities (above). Graduates with degrees related to hypersonic systems are in high demand from the Department of Defense that is planning to double its research in hypersonic capabilities from \$6.2 billion to \$11.2 billion by fiscal year 2024 and by defense companies such as Raytheon. Hypersonics provide the basis of most leading-edge developments at the Department of Defense, and perfection of hypersonic vehicles is necessary for the U.S. to stay ahead of the next evolution of warfare. UArizona is maintaining its competitive edge in hypersonics modeling and simulation needs for testing, research and training while expanding undergraduate programs that directly support the aerospace and defense industry.

LICENSES, OPTIONS, INVENTIONS LEAD TO NEW PRODUCTS, COMPANIES AND JOBS

Through cutting-edge research conducted at Arizona’s public universities, new discoveries prompt inventions, patents and companies that are created in our state, impacting Arizona and the global community.

ASU and UArizona entered into 173 license and option agreements in fiscal year 2020 and NAU received 43 invention disclosures. Universities license technology developed at the institutions to a broad spectrum of organizations and individuals for eventual commercialization. Increasing the number of invention disclosures from Arizona’s public universities increases patents issued, leading to new products, companies and jobs.

TRIF INITIATIVES ADDRESS ISSUES CRITICAL TO ARIZONA DURING GLOBAL HEALTH CRISIS

Arizona's public universities received approximately \$81.4 million in Technology and Research Initiative Fund (TRIF) revenue in fiscal year 2020. The universities leveraged that investment to attract outside research funding, resulting in a \$465.7 million return on investment through TRIF-related research.

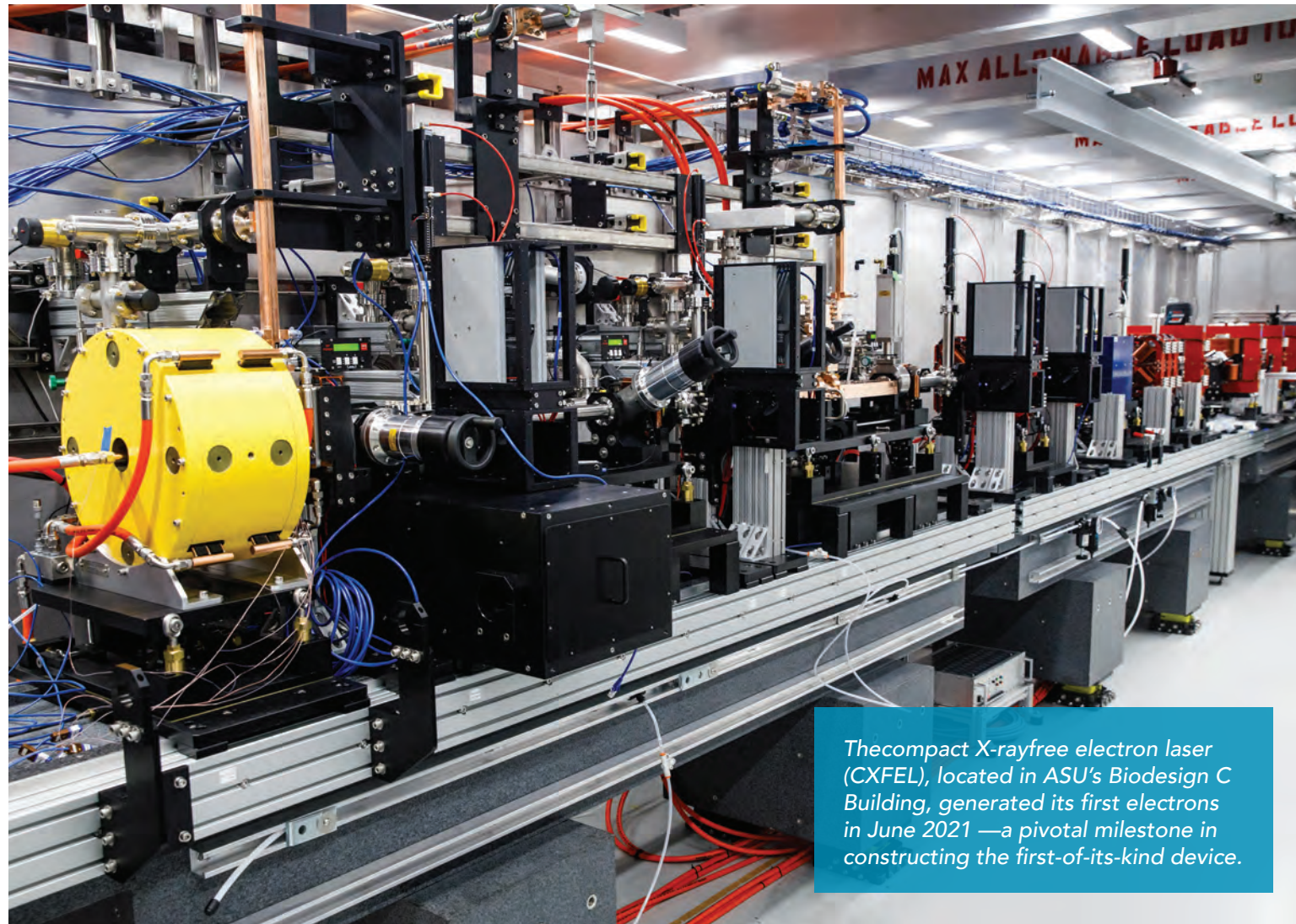
The value of Arizona's long-term commitment to research and innovation has never been more apparent than during the coronavirus pandemic that began in early 2020. Researchers across the state were able to quickly leverage Technology and Research Initiative Fund (TRIF)-enabled technologies, expertise and infrastructure to assist in the global crisis.

To further the universities work and impact in addressing the COVID-19 pandemic, the Research and Health Sciences Committee recommended

to the full board to approve \$3 million in TRIF revenue for the universities collaborative COVID-19 activities and projects, including working to detect, monitor and assess SARSCoV variants of concern through the Arizona Collaborative COVID Consortium.

TRIF funds are utilized for initiatives and projects of critical importance to Arizona and the U.S. in the following areas: Improving Health; Water, Environmental, and Energy Solutions; National Security Systems; Space Exploration and Optical Solutions; and Higher Education Access for Workforce Development.

Total TRIF revenue received to date since the inception of the program in June 2001 is over \$1.205 billion.



The compact X-rayfree electron laser (CXFEL), located in ASU's Biodesign C Building, generated its first electrons in June 2021 — a pivotal milestone in constructing the first-of-its-kind device.



Associate Professor Clare Aslan, co-director of the Center for Adaptable Western Landscapes (CAWL), was awarded a \$379,177 grant from the Electric Power Research Institute to study improvements in pollinator habitat and biodiversity in the rights-of-way of Arizona utilities.



The TRIF-seeded WEST center initiated the UA2020 Wastewater-Based Epidemiology program that monitored campus dormitory wastewater for SARS-CoV-2 during the coronavirus pandemic.



CONCLUSION

Public higher education is truly transformative – changing lives, driving our economy and shaping a better future for all. The Arizona Board of Regents is committed to its promise to Arizona to ensure the benefits of a quality, affordable public higher education are available to all across our great state. This promise, which was woven into the tapestry of public higher education beginning nearly a half a century before statehood, will continue to guide the future of our state’s public university enterprise. Forks Up, Bear Down and Go Jacks!



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