



Associated Students
of Northern Arizona
University



MEMO

To: Arizona Governor candidates of the 2022 Arizona gubernatorial election
From: 2021-2022 Student Body Presidents from ASU, NAU, and UArizona
Subject: Future of Arizona Higher Education Funding for State Universities as Recommended by the Student Government Leaders of ASU, NAU, UArizona
Date: April 22, 2022

EXECUTIVE SUMMARY

As the elected representatives of students attending the state's three public universities, Arizona State University, Northern Arizona University, and University of Arizona, one of our responsibilities is to ensure that Arizona gubernatorial candidates are informed about the importance of and issues affecting higher education funding. It is our consensus opinion that an emphasis on higher education funding and a continued commitment to increasing access to the three public universities will benefit Arizona by ensuring a more specialized and educated workforce, which will contribute to increased prosperity and advancement of Arizonans and Arizona.

While Arizona's economic growth is among the top in the nation and high-wage, high-demand fields are growing, educational attainment remains at or very near the bottom of the nation. It is estimated that half to two-thirds of jobs will require some postsecondary education, yet only 39% of Arizonans between the ages of 25-64 have earned at least an associate's degree. Furthermore, it is estimated that only 17% of today's ninth graders in Arizona will earn a postsecondary degree within the next 7 years.¹

According to the Arizona Center for Economic Progress, funding of Arizona public higher education has fallen 54.3% when adjusted for inflation.² This is the highest cut in the nation.³ Moreover, the average tuition has increased by 78% at the four-year public universities⁴. For example, in FY 2008, Arizona state appropriation for NAU accounted for 40% of the total NAU revenue and net tuition and fees accounted

¹*The role of hispanic-serving institutions (HSIs) as drivers of economic mobility and prosperity in the United States of America*, U.S. House of Representatives Subcommittee on Higher Education and Workforce Investment, 117th Cong. (2022) (testimony of Dr. Jose Luis Cruz Rivera) and <https://www.azregents.edu/arizona-promise-program>

² Arizona Center for Economic Progress. (2021). Arizona's cuts to higher education threaten access and equity. *Arizona Center for Economic Progress*.

<https://azeconcenter.org/arizonas-cuts-to-higher-education-threaten-access-and-equity/>

³ Ibid.

⁴ Arizona Center for Economic Progress. (2021). Arizona's cuts to higher education threaten access and equity. *Arizona Center for Economic Progress*.

<https://azeconcenter.org/arizonas-cuts-to-higher-education-threaten-access-and-equity/>

for 25%. In FY 2021, the state appropriation accounted for 18% and tuition and fees accounted for 35% of the total NAU revenue.⁵

The undergraduate, graduate, and professional student leaders of the three Arizona public universities highly support and encourage the immediate growth and investment into the Arizona Promise Program. Not only does investment in the Arizona Promise Program create opportunities for incoming in-state students, it also benefits Arizona as a whole by educating the local workforce, developing rural areas, and improving the economic contribution of residents.⁶

The Arizona student leaders also believe that there needs to be an emphasis on graduate students who provide numerous benefits to the communities in which they work and live, often at little or no cost. From legal, to healthcare (i.e., medical clinics), to public service for underrepresented communities, graduate students serve a critical role in providing a positive impact in the community.

In order to invest in our future, the student leaders of ASU, NAU, and the University of Arizona contend that it is imperative that the state of Arizona make greater investments in the Arizona Promise Program and in higher education. We must make strides in funding higher education to increase access and affordability. We believe that the return on investment for increased state funding is clear. If Arizona is to sustain economic growth, Arizonans must be provided the access, state funding, and support to attain postsecondary degrees to fill the high-wage, high demand jobs of the near future. An investment in higher education for Arizonans will pay huge dividends as Arizonans will be able to compete for the high-wage, high-demand jobs that many Arizonans cannot compete for today. This investment will ensure Arizona is well positioned for economic growth and prosperity for the future.

⁵ Northern Arizona University Budget Office.

⁶ <https://www.azregents.edu/arizona-promise-program>

Background Information

As the elected representatives of the over 200,000 students⁷ attending the state's three public universities: Arizona State University (ASU), Northern Arizona University (NAU), and University of Arizona (UArizona), it is partly our responsibility to ensure that the Governor candidates of the 2022 Arizona gubernatorial election are informed of the importance of higher education funding. We firmly believe that an emphasis on higher education funding and a continued commitment to increasing access to Arizona's three public universities will help Arizona achieve a more specialized and educated workforce for the future, which will help increase the prosperity and advancement of the state of Arizona.

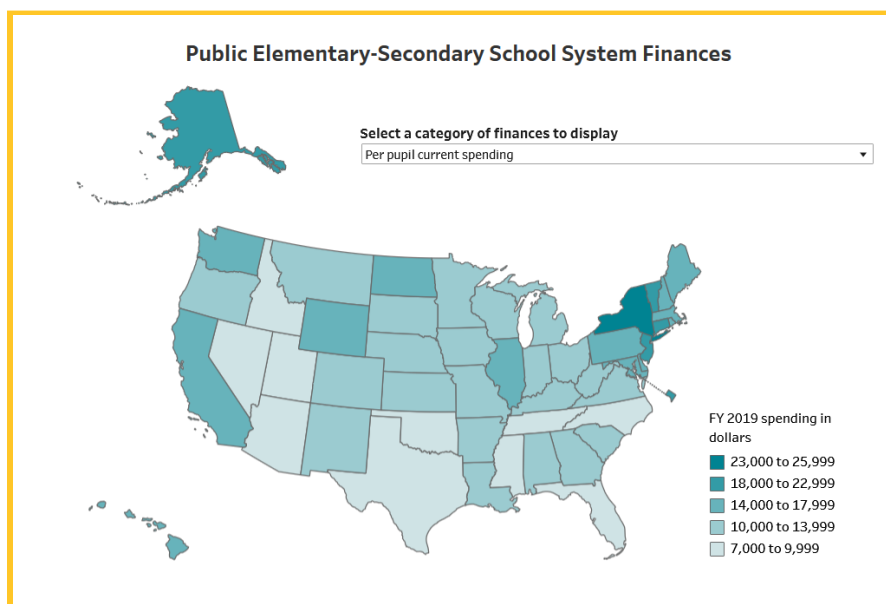


Figure 1. The U.S. Census Bureau ranked the state of Arizona as 49th in the nation for per pupil spending for elementary and secondary public education, in comparison to all 50 states and DC, in 2019.

As the elected student leaders of ASU, NAU, and UArizona, we firmly believe a commitment to higher education funding is a commitment to investing in the Future of Arizona.

On March 2, 2022, Dr. Cruz Rivera, President of Northern Arizona University, provided testimony to the United States House of Representatives, Education and Labor Committee, Higher Education and Workforce Investment Subcommittee. He stated Arizona's economic growth is among the top in the nation and high wage, high-demand fields are growing. However, educational attainment in Arizona is at or near the bottom of the nation. Furthermore, nearly 66% of jobs require some postsecondary education.⁸

In Arizona, only 39% of Arizonans between the ages of 25-64 have earned at least an associate's degree.⁹ Moreover, estimates suggest that only 17% of Arizona ninth-graders will earn any type of postsecondary degree within the next 7 years.¹⁰

⁷ [University System Quick Facts | Arizona Board of Regents \(azregents.edu\)](https://www.azregents.edu/quick-facts)

⁸ *The role of hispanic-serving institutions (HSIs) as drivers of economic mobility and prosperity in the United States of America*, U.S. House of Representatives Subcommittee on Higher Education and Workforce Investment, 117th Cong. (2022) (testimony of Dr. Jose Luis Cruz Rivera)

⁹ *Ibid.*

¹⁰ *Ibid.*

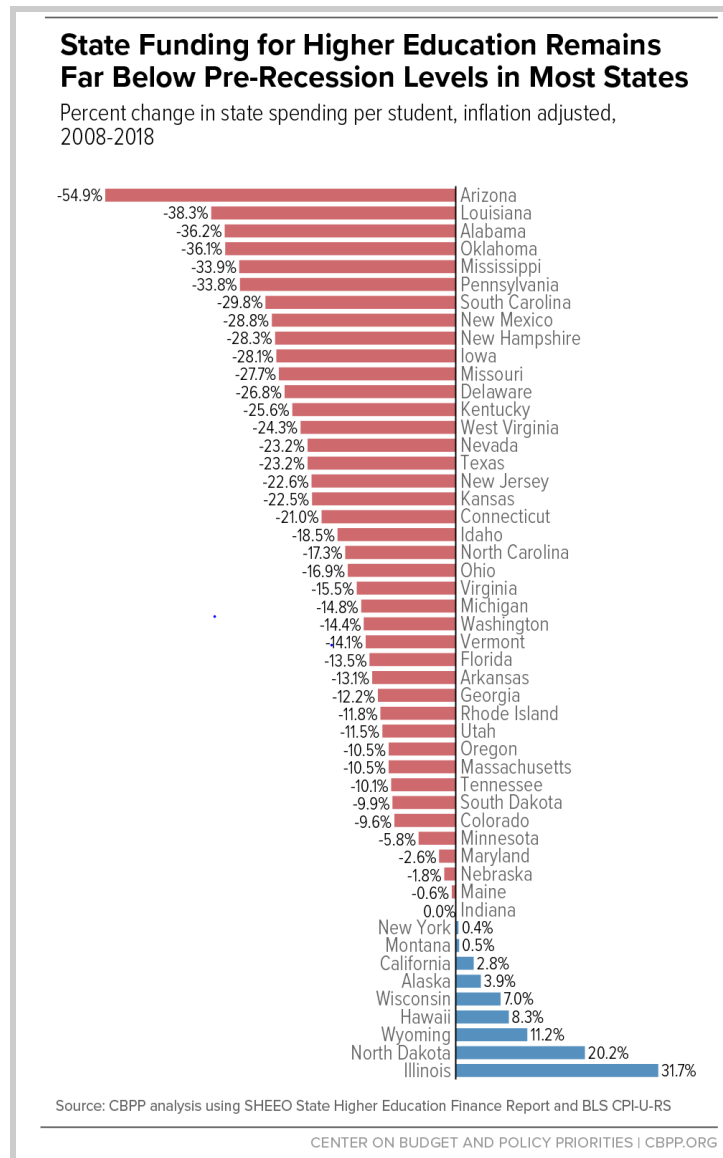


Figure 2. Arizona has the greatest percentage reduction in higher education funding compared to all other states, according to the Center of Budget and Policy Priorities.¹¹

According to the Arizona Center for Economic Progress, Arizona funding of higher education has fallen 54.3% since 2008 (when adjusted for inflation) and has the highest percentage cut in the nation.¹² Moreover, they stated, “Since 2008, the average tuition is up by 78 percent or \$5,224 per-student at a four-year public university in Arizona.”¹³

¹¹ [State Higher Education Funding Cuts Have Pushed Costs to Students, Worsened Equality](#). (2019). Center of Budget and Policy Priorities.

¹² Arizona Center for Economic Progress. (2021). Arizona’s cuts to higher education threaten access and equity. *Arizona Center for Economic Progress*.
<https://azeconcenter.org/arizonas-cuts-to-higher-education-threaten-access-and-equity/>

¹³ Ibid.

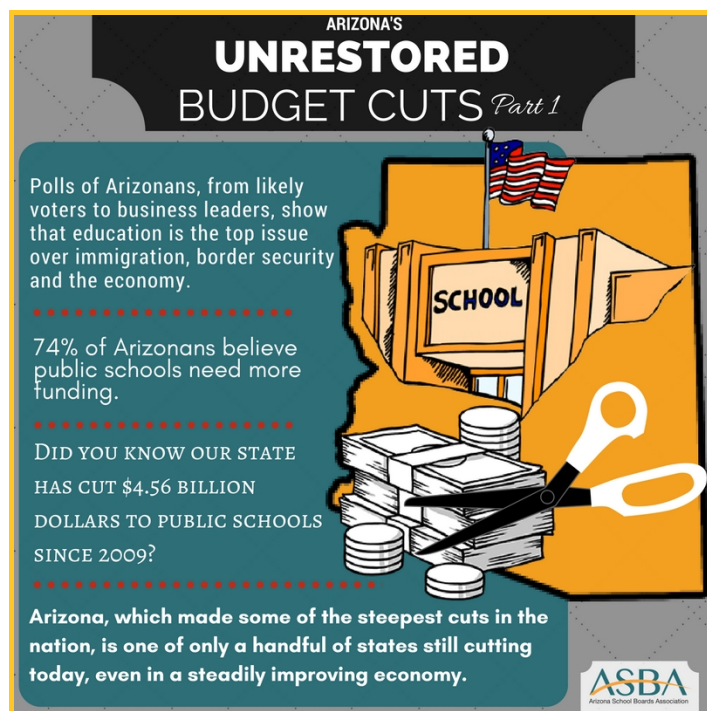


Figure 3. This infographic from the Arizona School Boards Association illustrates the continuous budget cuts in education, when in fact, education is the number one issue for Arizonans.¹⁴

The economic impact of NAU for the academic year 2017-2018 was \$2.64B with over 24,000 jobs statewide. The contributions to Coconino County were \$1.96B with over 19,500 jobs, to Maricopa County were \$189M with over 1,500 jobs, and to Yuma County with over 900 jobs. NAU also provides \$185M in state and local taxes.¹⁵

Beyond economic impacts, universities provide additional social benefits to communities in which they reside. According to the Alliance Bank Economic Policy Institute, non-monetary benefits include community involvement, cultural awareness, an educated populace, significant employment opportunities, less community reliance on social services, and less community crime.¹⁶

Arizona Student Body Presidents' Stance on Higher Education Funding

In order to invest in our future, the state of Arizona must make greater investments in higher education. We must make strides in funding higher education to increase access and affordability. We believe that the return on investment for these initiatives (i.e., Promise Program, increased state funding to our Universities, increased scholarship opportunities for Graduate students) is clear. If we want to take Arizona into the future, we need to take investments into higher education more seriously. A return to the 2008 state appropriation profile would be a great start.

¹⁴ ["Arizona's Unrestored Budget Cuts" by the Arizona School Boards Association](#)

¹⁵ Alliance Bank Economic Policy Institute. (2018). *The economic contributions of Northern Arizona University to the state of Arizona in academic year 2017-2018*. Alliance Bank Economic Policy Institute, Northern Arizona University. [Microsoft Word - NAU Economic Contribution Study AY 2018.docx](#)

¹⁶ Ibid.

ASU

Since 2008, Arizona State University has experienced a steady decline in funding from the state for students at institutions of higher education. ASU's 2020 report demonstrates that state aid (indicated in green on Figure 4) provides proportionally less tuition support than other forms of institutional gift aid for resident students at Arizona State University each year; a number that would only serve to benefit student success and retention if increased by the state legislature.¹⁷

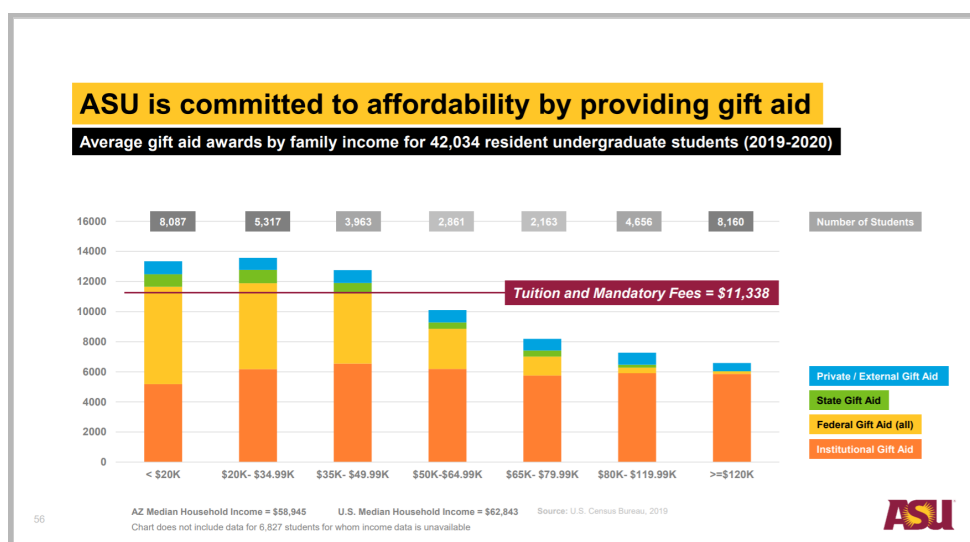


Figure 4. Note that the green is the amount of funding from the state that students receive, based on their income. This graph is taken from the ASU Strategic Enterprise Plan 2021 presentation.¹⁸

The university has had to cover the majority of tuition costs in order to keep tuition costs affordable. The university reports that approximately 92% of its operating budget is not funded by state dollars; the university also reports an approximate net loss of 300 million dollars for in-state students annually. This has prevented the university from being able to invest greater amounts of funds into resources that greatly benefit students in more robust ways (i.e. unlimited access to mental health resources, greater availability of menstrual products, or more competitive wages). Instead, universities in Arizona have had to find creative ways to create funds to ensure their students have access to these resources, when the state could better support universities and, in extension, these efforts.

NAU

In FY 2008, Arizona state appropriation for NAU accounted for 40% of the total NAU revenue and net tuition and fees accounted for 25%. In FY 2021, the state appropriation accounted for 18% and tuition and fees accounted for 40% of the total NAU revenue.¹⁹

In other words, since 2008, state appropriated funds for NAU have decreased. In 2008, NAU received \$156,000,000. In contrast, in 2021 NAU received \$112,000,000. With the academic affairs division estimated as a \$150,000,000 expenditure, the state doesn't provide enough to supplement the core of the university, which is academics.²⁰

¹⁷ See [ASU's Council of Presidents' Response to ASA's "As Nearly As Free As Possible Act"](#)

¹⁸ [ASU Strategic Enterprise Plan 2021](#)

¹⁹ Northern Arizona University Budget Office.

²⁰ Ibid.

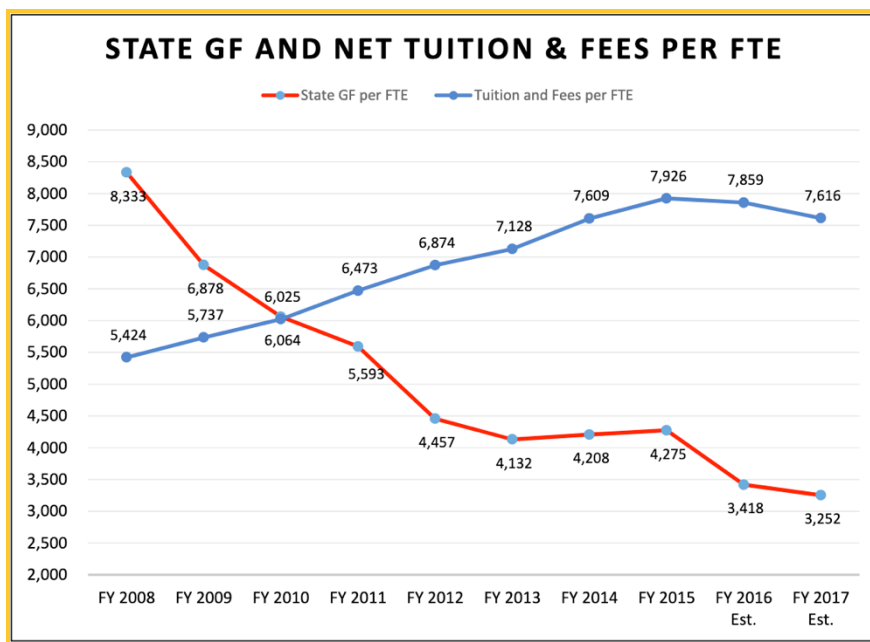


Figure 5. Using NAU as an example, this chart shows the decreasing investment from the state in higher education (red line) while the costs of tuition and fees have risen (blue line) due to inflation.²¹

Arizona Student Body Presidents' Stance on Arizona Promise Program

The undergraduate, graduate, and professional students leaders of the three Arizona public universities highly support and encourage the immediate growth and greater investment into the Arizona Promise Program. The Arizona Promise Program provides a gateway for students from high school to be able to attend one of the three state universities. We support the growth of this new and promising program to create impact through benefiting new students and the growth of Arizona as a state. Not only does investment in the Arizona Promise Program create opportunities for incoming in-state students, it also benefits Arizona as a whole by educating the local workforce, developing rural areas, and improving the economic contribution of residents. We believe that investment in the Arizona Promise Program is a clear investment in the future of our state.²²

Arizona Student Body Presidents' Stance on Graduate Student Scholarships and Grants

We believe that there needs to be an emphasis on graduate students. Graduate students often provide services to the community at little or no cost. From legal, to healthcare (i.e., medical clinics), to public service for underrepresented communities, graduate students serve a critical role in providing a positive impact in the community. Funding graduate and professional education is important because they serve not only the universities, but also the communities they work in. Furthermore, we believe robust and well-funded graduate programs at the three universities will ensure a workforce that is able to compete for leadership positions that are being created with the high growth, high demand jobs Arizona is bringing into the state. It is important to invest in the education and growth of graduate and professional students through increasing the amount of funding available to universities. Funding that could otherwise go to the creation and expansion of graduate scholarships, grants, and resources are instead being utilized to cover tuition costs.

²¹ Northern Arizona University Budget Office.

²² <https://www.azregents.edu/arizona-promise-program>

Cost of Attendance

We need the state of Arizona to invest more into higher education so that students can focus on paying for other needs, such as food, housing, and other necessities. For reference, on-campus housing at ASU costs around \$11,000 per year²³ and a meal plan consisting of 14 meals per week costs around \$6,000.²⁴ At UArizona, housing can cost anywhere between \$6,000 and \$13,000 per year²⁵ and a meal plan consisting of 3 meals a day costs around \$5,000 per year.²⁶ On-campus housing at NAU can cost anywhere between \$6,000 and \$8,000²⁷ and a meal plan consisting of 14 meals per week costs around \$5,000.²⁸ It is more than just tuition that students need assistance with, and yet, not even tuition costs are being subsidized nearly enough as they should be by the state. Students have to pay for tuition, on top of everything else from food to housing to other basic necessities.

Food and housing security is affecting Arizona undergraduate and graduate students. The Arizona Board of Regents conducted a study and found 26% of ASU students, 47% of NAU students, and 35% of UArizona students experienced food insecurity during the study timeframe (2020 at ASU and 2021 at NAU and UArizona).²⁹ For housing insecurity, ASU had a 14% rate, NAU a 19% rate, and UArizona an 8% rate. Food and housing insecurity has been shown to impact attendance and withdrawal rates at universities.³⁰

Graduate students and upper classmen tend not to live on campuses nor do they use meal plans. Thus, they are impacted by the cost of living for the communities in which they reside while attending school. *The Best Places* website uses an index for cost of living across the nation. They base their cost of living index on a US average of 100. Arizona has a cost of living of 102.2, Tucson of 91.6, Tempe of 108.1, and Flagstaff of 117. Considering only housing costs, Arizona sits at 107.8, Tucson at 80.4, Tempe at 124, and Flagstaff at 165.9. With housing costs so high, it may become untenable for graduate students and upper classmen to pursue in-person education at the main campuses of Arizona universities, particularly ASU and NAU.³¹

Regardless of undergraduate or graduate status, college students tend to be in a period of transition where their individual circumstances and professional skills are not conducive to jobs that could significantly assist with the level of financial commitment that higher education in Arizona currently requires. A greater investment in higher education will not only alleviate the everyday pressures of students and improve the rates of food and housing security, it will also allow for universities to provide more resources to allow for greater student success, which will directly boost the workforce and growth of the state of Arizona.

²³ [Housing Rates | University Housing \(asu.edu\)](#)

²⁴ [Traditional Meal Plans | Sun Devil Dining \(asu.edu\)](#)

²⁵ [Rates | Housing & Residential Life \(arizona.edu\)](#)

²⁶ [Mealplans - Which Plan \(arizona.edu\)](#)

²⁷ [Housing Rates | Housing & Residence Life \(nau.edu\)](#)

²⁸ [Meal Plans | Campus Dining \(nau.edu\)](#)

²⁹ Arizona Board of Regents. (2021). *Student food and housing insecurity work group report*. Arizona Board of Regents. [student-food-housing-insecurity_2021.pdf \(azregents.edu\)](#)

³⁰ Ibid.

³¹ www.bestplaces.net

Areas for Collaborative Advocacy Efforts

Arizona Student Body Presidents plan to host a panel discussion for higher education funding after the primaries, around the month of September, so our student constituencies can hear how the remaining gubernatorial candidates plan to invest in higher education.

We believe that higher education is a clear return on investment for the state of Arizona. We hope that the newly elected Governor of Arizona will make a tangible contribution to higher education within the state of Arizona, and return to a state appropriation profile similar to that of 2008, in regards to higher education funding, as well as make more significant contributions to the growth of the Arizona Promise Program. If we want to be ready for the future of Arizona, we need to invest significantly more in the Arizona Promise Program and in higher education.

Signed,

Arizona State University Council of Presidents 2021-2022

Nicole K. Mayberry, Graduate and Professional Student Association

Renuka Vemuri, Undergraduate Student Government Downtown Phoenix Campus

Cecilia Alcantar-Chavez, Undergraduate Student Government Polytechnic Campus

John Hopkins, Undergraduate Student Government Tempe Campus

Elizabeth Chilton, Undergraduate Student Government West Campus

Northern Arizona University Student Government Presidents 2021-2022

Rebecca N. Seeger, Graduate Student Government

Maylee Acosta, Undergraduate Student Government

University of Arizona Student Government Presidents 2021-2022

Shilpita Sen, Graduate & Professional Student Council

Noah Vega, Associated Students of the University of Arizona