**ASU 2016 Legislative Priorities**

**Support Arizona Resident Students**

**Building a New Investment Relationship with the State**

Partnering with the Governor and Legislature to invest in the education of Arizona’s resident students

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A new state investment model, which focuses the state’s fiscal relationship with the universities squarely on Arizona residents, is the cornerstone of the 2016 legislative agenda. This new model proposes, and it is the university’s request, that the on-going fiscal relationship with the state be based on per-resident student funding, with a goal of the state increasing its resident student support to 50% of the cost of education ($7,775). On average, the annual per-student cost of education is approximately $15,550. Currently the state investment sits at 34%. Historically the state has invested much more in its resident students – 72.2% in FY 2008, and FY 88.4% in 1998.

<table>
<thead>
<tr>
<th>Investment</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$24 Million</strong></td>
<td></td>
<td>This will help sustain Arizona Resident Students</td>
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<tr>
<td>+</td>
<td><strong>$8 Million</strong></td>
<td>Governor’s support of the New Arizona Resident Student Funding Model</td>
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<tr>
<td>=</td>
<td><strong>$32 Million</strong></td>
<td>Total system wide request</td>
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**Goal: $32M** total investment request

- **$24M**
  - Invest in Arizona Resident Students
- **$8M**
  - Currently in Governor’s Budget

**Where we are now:**

- Average cost of education - $15,550
- State funding - $5,302 - 0r - 34%

**Long-term Goal:**

- State sharing 50%* of on-going costs of education for Arizona resident students
  - *(7,775 per resident student)*

**How do we get there?**

Build up to 50% over time through strategic investment

**$24M investment in Arizona Students**

The conclusion of FY15 proved some base budget assumptions for FY16 were incorrect. Most notably, actual revenues exceeded the forecast by nearly $400M, while revenues at the beginning of 2016 were over $200M beyond what was expected. Budget reductions made by the state, including those to the University, were made before this information was available, which unnecessarily increased the cuts. Empowered with new information, and new resources, the State should continue to take action. Investment of $24M or more beyond the Governor’s $8M initialization funds, which invest in the Arizona Resident Student Funding Model, will ease the cuts made to university funding, and provide much needed state support to Arizona students and their families. Restoring this $24M will increase the State’s per AZ resident student support to $5,552 – Taking us one step closer to 50%.

**Allocation of funding will be determined when the budget is finalized**

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*Note: All values are approximate.*