

State of Arizona

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Governor Brewer Calls for Reform of University Business Plan

Will Apply University Stimulus Funds to Reduce Tuition Hikes

PHOENIX – Governor Jan Brewer today called upon the Arizona Board of Regents with the university presidents to develop a sustainable business model for higher education in the State of Arizona. Bold action is necessary to prepare for increasingly tighter budgets and avoid massive tuition increases. Additionally, the Governor committed to apply university federal stimulus dollars to reducing the level of the proposed tuition hikes.

Arizona's Board of Regents is responsible for setting student tuition rates in the State of Arizona. The federal stimulus funding law, the American Recovery and Reinvestment Act, provides the Governor authority on how and when the university portion of the federal stimulus dollars is spent. The Governor committed this morning to concentrate the federal university stimulus money on tuition, and spreading the funds over a two year time period. The move is intended to dramatically reduce the size of proposed tuition increases.

"By this fall, I want to see a new business model that results in a tuition structure that is accountable, predictable, and affordable to taxpayers, parents and students," stated Brewer. "I intend to apply university federal stimulus dollars to reducing the proposed tuition increases, but make no mistake – without substantial and comprehensive progress on reform the burden of massive tuition increases will return very soon."

The Governor called upon the state's higher education leaders to develop a proposal by the fall that would hold universities accountable to taxpayers for graduation, retention, and transfer rates, as well as provide a more predictable cost for incoming students to obtain a degree.

Attached are the Governor's remarks this morning to the Arizona Board of Regents.