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Statement from ABOR President Eileen Klein on the FY 2017 State Budget

(Phoenix, Ariz.) – “The newly approved [state budget](#) makes a meaningful and much needed commitment to Arizona’s public universities. We applaud Governor Ducey and the growing number of legislators from both parties who have been university champions this session, as well as countless supporters who have worked tirelessly for Arizona students and their continued access to a quality, affordable university education. The budget recognizes and makes clear that public universities are a priority to promote individual opportunity and growth for our state.

“With \$32 million in additional funding, we can begin making new investments in education programming and address some of the long-delayed capital improvements across our campuses. We are especially pleased this budget devotes more than \$8 million in recurring funds to our new funding model, which prioritizes state dollars to support the education of Arizona resident students. This model, part of the newly adopted strategic plan, has won the support of business and community groups statewide, as well as the students themselves. (Click [here](#) for a complete overview of the FY 2017 state appropriations for the Arizona public university enterprise.)

“Efforts to stabilize the state budget are especially important since universities are one of the largest unprotected areas within the budget and are particularly vulnerable in times of state budget distress. The new budget makes good on \$200 million of deferred payments that have been pending for seven years and re-establishes a timely payment schedule so dollars once again will be paid to universities in the years they are owed. Cuts and payment deferrals in past years have strained university finances. This move helps improve the universities’ overall financial position and aids in promoting stronger credit ratings and cash flow for needed payments and projects.

“Lastly, this budget institutes key reforms sought by the universities to streamline operations and minimize bureaucracy around tuition collections. From now on, tuition dollars paid by students and their families will remain within the control of the universities, rather than being needlessly remitted to the state coffers and then routed back to the universities.

“Without a doubt, this budget helps put us on a more secure path to deliver the affordable, high-quality university education that Arizona students and their families expect and our Constitution guarantees. But, more needs to be done. The universities still need additional recurring state funding that they can count on to improve college affordability for families and help stave off future tuition increases. Much has been done to drive down both delivery costs and tuition increases in the past several years, but we must have the state’s consistent support to reverse the trend. We will continue to emphasize the need for permanent adoption of the resident student funding model to ensure state dollars are used to the benefit of our Arizona resident students.

“In the meantime, we are grateful for a budget that marks a long-anticipated, positive turning point in the state of Arizona’s support of its public universities.”

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