A Half Century of Collaboration

**1952**: WICHE founded by U.S. Congress

**1953**: Arizona joins, one of our first 3 members
Our Mission

To expand educational access and excellence for all the West’s citizens

By promoting innovation, cooperation, resource sharing and sound public policy

Thereby strengthening higher ed’s contributions to the region’s social, economic, and civic life.
Commissioners

- Linda Blessing, executive director of the Arizona Board of Regents in Phoenix
- Lawrence M. Gudis, senior vice president of the University of Phoenix
- John Haeger, president of Northern Arizona University

Legislative Advisory Committee Members

- Sen. Jim Waring, Phoenix
- Rep. Deb Gullett, Phoenix
Regional Priorities

- Expanding access
- Providing policy support and data
- Promoting the effective use of educational telecommunications
- Fostering collaboration
Arizona & WICHE
Student Exchange Programs

Provide professional, undergraduate and graduate students with **affordable** access to out-of-state programs, while allowing states to **fill excess capacity and avoid unnecessary duplication** of programs.
Arizona & WICHE
Student Exchange Programs

Professional Student Exchange (PSEP)

- 153 Arizonans are enrolled in dentistry, veterinary medicine, occupational therapy, optometry, osteopathic medicine, and physician assistant programs in other states this year.

- Arizona received 30 students from other WICHE states.
Today, 944 PSEP alumni are practicing in Arizona, including:

- 109 medical doctors
- 336 dentists
- 384 vets
- 54 optometrists
- 38 occupational therapists

About 80 percent of the state’s PSEP students return to Arizona to pursue their professional careers.
Arizona & WICHE
Student Exchange Programs

Western Undergraduate Exchange (WUE)

- More than 520 Arizona students enrolled in fall 2002.
- They paid: just 150% of resident tuition.
- They saved: $2.4 million this year.
- Over 1,100 students from other WICHE states enrolled in Arizona.
Arizona & WICHE
Student Exchange Programs

Western Regional Graduate Program (WRGP)

- 28 Arizona graduate students went to out-of-state institutions.

- They paid: resident tuition.

- Arizona received 52.
What students say:

Mai-Ly Ramirez, DDS: Being a WICHE graduate has helped me continue in the profession of my father, who is also a WICHE graduate.

Gretchen H. Green: Vocational Rehabilitation and the WICHE program have both been instrumental in providing me with the incredible opportunity to attend an out-of-state veterinary college. I have limited financial means, am middle aged, and would find it almost impossible to pay back the total amount owed if I had to pay for the out-of-state portion of tuition.

Jesse V. Dominguez: Without support from the WICHE program, attending a professional school of optometry would have been very difficult to impossible. I am very eager to start helping the people of Arizona.
Other WICHE Programs:

- WCET (Western Cooperative for Educational Telecommunications)
- Policy Analysis & Research
- Programs & Services
- Mental Health Program
- Consortium for North American Higher Education Collaboration (CONAHEC)
Arizona’s Exceptional Story: The Perfect Storm
The Confluence of Three Huge Waves

Rising Demand for Higher Education

The Change in Who You Are Serving

Constrained Finances
The First Wave – Rising Demand

You are in a class almost of your own.

Expected growth of 45 to 65% over next decade, depending on who’s counting.

WHY?
What’s pushing the wave?

1. Simple Demographics

- 25% increase in high school grads during this decade, coming on a nearly 20% increase over past five years.

- Population growth: 24% increase in Arizona population – over a million more residents (1995-2005). Projected 11% increase in the following decade.

- Arizona is 2nd fastest growing state (2002).
2. Policy Goal – Greater post-secondary participation

  - Arizona – 59.9%
  - WICHE West – 69.8%
  - U.S. – 68.1%

- Desired increase in the share going on to college *(Measuring Up 2002: B-)*
  - Arizona – 49.6%
  - WICHE West – 48%
  - U.S. – 56.1%

- **Associate degree production (per 100 H.S. grads)**
  
  - Arizona – 34.7%
  - WICHE West – 25.8%
  - U.S. – 21.8%

- **Baccalaureate degree production (per 100 H.S. grads)**
  
  - Arizona – 57.2%
  - WICHE West – 43.9%
  - U.S. – 47.7%
Consolation: You’re not alone.

- California, Nevada, and Texas are there with you.
- Most of the rest of the West is right behind.
The Second Wave –
Those we serve will be harder to serve.

Increasing share of population from communities that higher education traditionally has not served well.

❖ From Communities of Color

Projected increase in Hispanic high school grads

❖ From 27.7% in 2002 to 43.3% in 2012.
Historic success, or lack thereof, of Hispanic students in higher education

- In the U.S.: 10.5% less likely to attend higher education
- The good news in Arizona: Hispanic college graduates doubled from 5.7 to 11.4% of the whole (1990-2000)
- But there is still more to do: In 2000, Hispanics represented
  33.6% of the Arizona population
  (18-24 years old)
  20.1% of first-time freshmen
  19.8% of those awarded associate degrees
  10.8% of those awarded bachelor’s degrees
Historic success, or lack thereof, of low-income students in higher education

- In the U.S.: Participation drops from 27.5 to 23.1% (1999-2001)
- In Arizona: that number is 15.6%

**Good news:** Improving performance in K-12, and active involvement in Advanced Placement.
The Third Wave – Limited Resources

*What a difference two years make:* The dawning of the millennium – **the Best of Times.**

- Arizona state budget grew by 20.52% between 1997/98 and 2002/03.

- Arizona support for higher education grew by 15.9% in that time.

- Arizonans’ personal income increased by 43.35% (1996-2001).
What a difference two years make:
The new millennium + two – the Worst of Times.

- Arizona faces a budget deficit of $285.1 million for FY 2002/03 and over $1 billion for FY 2003/04.
- Arizona support for higher education declined by 1% in FY 2003.
- And prospects remain grim.
State and local surplus or shortfall as a percent of baseline revenues

Source: National Center for Higher Education Management Systems (NCHEMS)
Arizona higher education finance policies don’t “measure up.”

Institutions lack financial capacity to increase capacity.

- State support is limited, and will likely remain so.
- Tuition revenue is mighty small, compared to other states.
Access is at risk.

- Low tuition starves institutions and fails to secure student/family affordability.

- Arizona trails the West and the rest in need-based financial assistance. No program or policy framework from which to work today.

- State need-based aid
  Arizona - $13
  WICHE average - $238
  U.S. average - $316
The Makings of *The Perfect Storm*

Increasing demand – likely more than 50%

Increasingly difficult-to-serve clientele

Limited finances – Arizona facing a .7% structural deficit
Weathering the Storm

Planning is essential: *Changing Directions* – as good a planning process and effort as I have seen in the West.

The solutions for higher education lie both within and outside higher education in Arizona – your revenue structure won’t support your current level of public services.
Interstate collaboration makes sense, if done smartly.

- Other states can help with unmet demand (i.e., WICHE’s WUE program)
- Other states can help Arizona focus its resources (i.e., WICHE’s PSEP program)
To Weather the Storm, or Whether Not To?
That is the Question.

“The state needs to muster the resources for additional financial aid. The economic and social return on the state’s investment in a highly educated citizenry and workforce will far outweigh the costs.

“The full extent of the reform will take time, require staunch community support, and test the creativity and mettle of the regents, presidents, faculty, and staff.

“But the payoffs can be tremendous when our universities have the freedom to flourish and the necessary resources to do so. Prosperity for our citizens, thriving and culturally rich communities, and a vibrant, self-sustaining economy are the rewards to be reaped.”

Jack Jewett, President, Arizona Board of Regents

And the answer is clear.