Financial Aid
In Arizona

“OUCH”

Arizona’s Financial Affordability Formulas Don’t Compute
A constitutional mandate
And State is true to its mandate
Community College Tuition 2004-05
  Arizona Range: $984 to $1,650
  WICHE Average: $2,000
University Tuition 2004-05
  Arizona Range: $4,062 to $4,087
  WICHE Average:
    Research Intensive: $4,130
    Research Extensive: $4,783
Changing Directions to Achieve Affordability

- Low Tuition ignores other costs (nice but not sufficient)
- Economic Rationality (low tuition is nice but neither necessary nor sufficient)
  - Regressive
  - Inefficient -- doesn’t target subsidies where most needed
  - Ineffective – undercuts quality by underfunding institutions
How Arizona Measures Up on Affordability

Measuring Up 2004: An “F” on Affordability

NASSGAP 02-03 Annual Report

Chose Your Measure on State Support for Financial aid: Arizona ranks 48th to 50th

State Grant Aid/18-24 State Resident

U.S. Average = $204
Arizona = $5.20
Rank: 48
New Ways of Viewing Affordability – Pell Participation

- Pell Grant Participants as a share of Undergraduate Enrollment
  - Arizona: 22.5%
  - 8th of Ten Comparison States

- Ratio of Pell Grant Participants to 18-24 Year Old Residents in Poverty (Risk Index)
  - Arizona: 0.853
  - 10th of Ten Comparison States
New Ways of Viewing Affordability – Institutional Aid and All Aid

- Ratio of Institutional Grants to Pell Grants
  - Arizona ratio: 0.869
  - 6th of 10 Comparison States (range 0.265 to 1.462)

- Ratio of All Non-federal Sources to Pell Grants
  - Arizona ratio: 1.006
  - 7th of 10 Comparison States (range 0.425 to 1.778)
In Sum – Affordability or Not?

- Only area where Arizona is near average is in Institutional Aid.
- In total, however, the State lags way behind today.
- And is poorly situated to assure affordability in the future.
  - Institutionally focused efforts degrade instructional support
  - Absence of State based program degrades
    - Transparency
    - Predictability
    - Advocacy