

 The University of Arizona

 Main Campus



 Five-Year Strategic Plan

 FY 2004 – FY 2008



 January 1, 2003

## **Preamble to the University Of Arizona Five-Year Plan**

The strength of the University lies in its people, not in its structures. It is the people of the University who sustain it and build its intellectual wealth. The five-year strategic plan for the University of Arizona presents six of the very most critical strategic issues facing the institution in the coming years. These issues address a range of critical needs but at the heart of each is the need for the University to support and sustain the students, faculty, and staff, who support and sustain it. The six issues detailed in this document must be effectively managed if the University of Arizona is to continue in its multifaceted roles of educator of our future leaders; researcher into scientific, cultural, social, legal, and medical issues; creator of artistic works that inform and delight; and collaborator with external entities to transfer knowledge and artistic intelligence while helping to transform lives. Universities provide direct benefit to the State and its citizens by improving quality of life through increasing the capacity to effectively solve problems, improving understanding of one-another, stretching imaginations, developing leading-edge technological advances, and enhancing economic lives. These direct benefits and other indirect benefits are provided to people in Arizona, across the country, and around the world.

The resources needed to adequately address the strategic issues are significant and represent the accumulation of decades of funding practices that inadequately addressed needs. Creating a plan for closing the resource gap during the current climate of budget cuts and economic uncertainty may appear either irresponsible or uninformed—it is neither. The quality of higher education in this State determines its future. With strong universities the State can attract technological, knowledge-based industries that provide good jobs and drive positive economic growth. This economic growth then makes it possible to improve immeasurably, the social and cultural climate of the State. With universities losing the struggle to keep the best and brightest, whether students, faculty, or staff, Arizona's attractiveness to potential businesses returns to one of relying heavily on those businesses that tend to provide jobs with pay so low that the next-to-lowest tuition in the nation is still not affordable for many residents. The foundations for a bright future have been established in optics, bio-genomics, and other areas, but the investment must be made. The University of Arizona alone generates more than six dollars into the economy for every one dollar invested. That return potential diminishes with each intellectual and artistic loss, which is why it is imperative that these six strategic issues be dealt with now.

The planning parameters used include the assumption of a 5% budget cut in FY2003 and 5% tuition increases in each planning year. These assumptions will not provide resources adequate to fully address the strategic issues, but rather form the foundation on which additional resources can be built. The Changing Directions project is considering a number of possibilities that would both differentiate and enhance each university's mission while providing for long term financial stability. At the same time the University is developing its own Focused Excellence initiative that will serve to reexamine programs and activities to assure that the University of Arizona's standing as a premier student-centered research university is maintained. Other possibilities are under consideration but at best will provide resources in the long term. In the near term providing for students and maintaining critical services are paramount in University decisions.

While separately budgeted, the Arizona Health Sciences Center (AHSC) is an integral part of the University of Arizona and provides a separate Five-Year Strategic Plan which details more specifically, strategic issues unique to its mission. Three overlapping issues, building intellectual and structural foundations, serving a diverse population, and gaining financial stability, are addressed under the Main Campus plan with AHSC's implicit participation in achieving those issues.

## Mission and Description

The mission of the University of Arizona is: *To discover, educate, serve, and inspire.*

The University of Arizona provides an accessible environment for discovery, where excellent undergraduate, graduate, and professional education are integrated with world-class basic and applied research and creative achievement.

The University, a public land-grant institution, has assembled a distinguished faculty who are committed to preparing students for a diverse and technological world, pursuing new knowledge and creative endeavors, and improving the quality of life for the people of Arizona, the nation, and the world.

The University of Arizona is among America's top 15 public research universities (based on NSF total research expenditure data) and is one of 63 select institutions recognized by membership in the Association of American Universities.

Geographically, the University includes the Tucson campus, which is comprised of seven academic colleges, four professional colleges, and the four colleges comprising the Arizona Health Sciences Center (which also includes University Medical Center and University Physicians). It also reaches out to the people of the State through programs offered by every college as well as the Cooperative Extension Service with locations throughout Arizona; the Phoenix campus; UA South, a branch campus in Sierra Vista, and the Science and Technology Park.

Committed to education and training in a global context as well as to its essential responsibilities within its geographic and cultural environment, the University of Arizona actively recruits a diverse student body, faculty, and staff. A richly diverse University community is essential to achieving strategic goals and fulfilling mission.

Through an approach of focused excellence, the University of Arizona is a premier student-centered research university where diverse students are given the opportunity to reach high goals and members of the University community reach the very highest levels of excellence. A student-centered research university may be thought of as a place of learning and discovery where students:

- have access to world class faculty and research facilities;
- are exposed to leading-edge scholarship integrated into the curriculum;
- can expect individual and small-group educational experiences;
- have opportunities for learning beyond the classroom;
- can expect to be challenged to advance, grow, and achieve;
- find instructional technology used to support different learning styles;
- learn as members of a diverse community; and
- find an atmosphere of mutual respect and responsibility.

A student-centered research university is also a place of research, creative activity, and collaborative relationships where:

- researchers are valued for the important contributions they make to the advancement of learning, creative expression, scientific knowledge, and quality of life;
- collaborative relationships across campus disciplines, institutions, economic entities, and community boundaries are the rule rather than the exception;
- scholars and artists can expect the equipment, facilities, and resources needed to advance premier work;
- learning through research, teaching, and collaborative relationships is so well integrated that it is impossible to advance one element without advancing all the rest; and
- research is important to the University's ability to attract, retain, and educate students at all levels.

*“The University of Arizona strives for the highest degree of excellence possible in the discovery of new knowledge and new forms of expression while providing its students and its wider communities with the best possible access to the fruits of those discoveries in ways that invigorate, empower, and inspire all its participants towards life-long learning.”*

*-Peter Likins, President*

## **Focused Excellence Strategic Issue #1:** **Building Intellectual and Structural Foundations**

A world-class, diverse faculty aided by pre-eminent graduate assistants and an engaged academic community are essential to an appropriate student-faculty ratio and to an agenda of focused excellence in research, scholarship, and creative expression. Moreover, competitive compensation for faculty, graduate assistants, and staff; building maintenance and renewal; and information technology investments and upgrades, as well as other structural components of the University, are necessary to offer students quality learning and research experiences. Success in this agenda will position the University to promote a vital State economy and provide its citizens with an outstanding quality of life.

### **Issue Detail**

Top-quality, experienced faculty, graduate assistants, staff, and administrators are essential to achieving focused excellence. Chronically inadequate compensation precipitates the loss of valuable human resources across the campus. These losses, too commonly in academic areas of strategic emphasis, hamper the University's efforts toward focused excellence by creating shortages in many of the very areas where experience is essential. Continued below-market compensation packages have marked effects on the retention and recruitment of top-quality faculty and staff. Over the past four years, the University of Arizona has been losing talented faculty due to better offers and opportunities elsewhere. The University has been able to recruit top-notch faculty but not always able to retain them. The consequences reverberate throughout the community. The quality of the learning environment and the capacity to attract and secure research funding at the historic rates of growth will diminish if this trend continues. For several years University of Arizona faculty salaries have been *significantly below the average* of those of the University's peer institutions. In 2001-2002, the average University of Arizona faculty salary was \$6,800 below the average of its peers, to reach the average requires a 9.4% increase in faculty salaries. Remaining competitive for instructional and research faculty requires that the University offer high enough salaries to retain productive current faculty and to recruit the best new faculty talent available. A plan to increase salaries to the top of the lower one-third was introduced in the last proposed University budget; it is imperative that this plan be implemented as soon as practicable. Compensation of Graduate Teaching Assistants (GTAs) has also declined markedly in recent years. The latest figures put GTA net stipends for 2001-02 at the 38<sup>th</sup> percentile among peer institutions. This is a significant decline from our ranking at the 54<sup>th</sup> percentile in 1999-2000. Crucial teaching and research support is at risk if proposed GTA workload reductions and other initiatives to improve net stipends are not put into place. Similarly, staff salaries are below market. A recent salary survey found that the University's average salary was \$4,260 lower than that of the average of a range of staff similar to that of the University. For staff to reach the average requires a 14.1% increase in salaries.

One benchmark for focused excellence is in facilities available to support the top-quality research, scholarship, creative endeavors, and teaching activities at the University of Arizona. Present research space and infrastructure are inadequate to accommodate current,

let alone new, research programs, particularly in chemistry, medicine, biotechnology, and other areas of university emphasis. Additional research facilities and infrastructure are needed if faculty are to be competitive in attracting the external funding that can lead to major discoveries and new methods and can provide a first rate learning environment for a high technology workforce. This space shortage makes the maintenance and upgrade of existing facilities especially critical. The shortfall in facilities ranges from highly sophisticated laboratory space geared toward bio- and nano-technological research to media-rich teaching environments. State appropriations for building renewal decreased from \$16.3 M in 1998-99 to \$4.2 M in 1999-2000, to \$4.6 M in 2000-01, and \$0 in 2001-02 and 2002-03. During the period FY1995 through FY2003 the State appropriated only 43.8% of the amount calculated by the State as the minimum necessary to renew the University's buildings. The building renewal request for FY 2003 is \$ 27.5 M, but given the absence of funding over the past two fiscal years, the University will undoubtedly receive an appropriation less than this amount. Because renewal and maintenance are required to protect the State's investment in University physical plant and to keep buildings and equipment operating, funds must be taken from other areas such as instruction. This puts additional fiscal pressure on the fundamental activities that are at the heart of the University's mission.

In order to provide a twenty-first century environment for instruction, research, outreach, and institutional management, first-class information technology is required. To provide students with the technological proficiency necessary for them to successfully compete in the work force and for instructional and research faculty as well as staff to perform at a requisite level of efficiency, computer software and hardware need to be available and current. This requires diligent commitment to a constant upgrade cycle. Appropriations for this purpose have not been forthcoming in the past several years. In a manner identical to building renewal, information technology requirements place additional demands on monies required for other purposes.

Good practice in technology resource management requires budgeting around equipment life-cycles, especially given the pace of today's Information Technology (IT) industry. There are several areas to consider in resource management, desktop hardware, server-based hardware, institutional applications, desktop software, database software and tools, middleware tools, and more. Funding commitments to refresh information technology have not been consistent across these areas. For example, large investments in mainframe based equipment have been coupled with multi-year commitments of operating funds from central organizations, such as the Center for Computing and Information Technology (CCIT). However, expenditures in other categories, notably desktop computing equipment, have not been treated as recurring expenses and appropriately budgeted. This is especially true for large-scale applications projects such as Cosmos (the student information system), where technology refresh requires a large annual ongoing investment of about \$500,000.

The proliferation of the World Wide Web in the 1990's required instantaneous transformation of the working environment. Students, parents, faculty, and staff quickly demanded that all services be on-line. The budgetary adjustments that should have followed within a short time never occurred. Failure to maintain up-to-date software and equipment

has become a detrimental factor in maintaining a secure electronic environment. Older systems typically are not up to current standards as “safe” network devices; thus they compromise our ability to ensure protection against electronic intrusion.

With the ever-expanding use of twenty-first century technology, increased demand for IT services (data network, email, disk storage, etc.) must be expected, and there must be recognition of this growth along with a commitment of resources. Planned growth must not simply consider occasional critical needs, but must provide an orderly design for build-out and maintenance of the IT infrastructure. The movement from responding only to critical needs to orderly build-out requires a consistent, reliable resource stream.

The new knowledge-based economy is characterized by an unprecedented focus on both the quality of human capital, and infrastructure support. States are competing for future economic prosperity and recognize that higher education is the determining engine of success. The University of Arizona is of prime importance if the State is to effectively compete in the global economy.

## **Focused Excellence Strategic Issue # 2 :** **Enhancing Research and Collaborative Relationships**

Basic and applied academic research are central to the University of Arizona’s mission to expand and transfer knowledge and is key to economic development. The integration of research endeavors through interdisciplinary collaboration, as well as partnerships with industries and community entities, is essential for the scientific, technological, and social advancement of the State and region.

### **Issue Detail**

The scholarship of discovery is a significant component of the University of Arizona, which has consistently ranked among the top public, land-grant research universities in the nation. This top ranking took decades to attain. The entrepreneurial efforts of researchers, scholars, and artists, and the teams on which they depend for support, have enabled the University to reach the top ranks of public research universities despite years of inconsistent, if not unstable, state support. At the heart of this rise to national prominence has been a deliberate and consistent policy of nurturing first-class research programs, which has allowed the University to produce rich returns on the State’s investment of resources. Campus-wide interdisciplinary research collaborations add breadth to the advancement of knowledge and creative endeavors while collaborations with community groups and businesses help to refine that knowledge to a point where it improves the quality of life. Research at the University of Arizona drives *all* levels of education, provides the basis for enhanced economic development within the State, and lays the foundation for solving complex problems important to Arizona and the American Southwest.

A persistent theme in the University's history has been developing strengths based on the University of Arizona's unique physical and cultural environment and through interdisciplinary collaborations across departments.

- Since the University of Arizona is Arizona's land grant institution, arid land agriculture and mining and geological studies became early focal points of a broad range of research, teaching, and public service activities.
- Generations of outstanding astronomers and planetary scientists have made the University of Arizona world renowned in astronomy and planetary sciences. Furthermore, transforming technological innovation by University of Arizona faculty has created new generations of major telescopes and facilities, helping to make the University a world center for astronomy and planetary science, with cooperative projects with Germany, Italy, and the Vatican. This reputation will be enhanced by the international astrophysical observatory being developed on Mt. Graham, recent international prominence gained from University designed and built instruments, including cameras placed on Mars and instruments placed on the Hubble telescope, as well as those in development for future space missions.
- Exploration of the many remnants of past cultures in the area has led to leadership in archaeology both in the Southwest and in Classical and Middle-Eastern settings.
- Astronomy and archaeology provided the intellectual basis for development of a new science, dendrochronology. The study of tree rings as indicators of past environments is of increasing importance in identifying world environmental trends.
- The internationally-recognized Optical Sciences Center is a leader in science and engineering-related optics, and the technologies and industries enabled by optics, including the design and manufacturing of laser devices, medical devices, as well as imaging, diagnostic and telecommunications equipment will continue to enhance the lives of people all over the world.
- The many Native American communities in the State have presented opportunities for partnership in preserving rich cultures and in economic and educational development.
- The location of the University, near the international border with Mexico, and the special social, economic, legal, and political circumstances of the border zone are reflected in various programs in Hispanic language, literature, and culture.

The University of Arizona's national research reputation in these areas and others is at significant risk and could be lost long before the current budget crisis subsides if corrective action is not taken. A successful effort to achieve focused excellence will take extraordinary resources—both human and financial. The University must retain and attract world-class faculty and support teams. Our faculty has and will continue to aggressively seek external research support in every possible sector. The State realizes \$6.31 in non-State dollars for

every \$1.00 of State-appropriated funds it invests in the University of Arizona. The State's residents also gain in non-monetary ways from the rich collaborations that enhance their cultural and social lives. The State's citizens demonstrated their support of these activities in a recent initiative that provides a portion of sales tax funding for advancing technology and research initiatives (TRIF). Given this extraordinary return on investment, and voter approval of support for educational initiatives, increasing the investment would be in Arizona's short and long term best interest.

### **Focused Excellence Strategic Issue # 3:** **Serving a Diverse Population**

The University must foster a community that consists of individuals with varied experiences, backgrounds, and perspectives. Improving the diversity of the University community will enrich the quality of the student experience, better prepare students to be informed and productive members of the emerging global society, develop the workforce essential for success in the twenty-first century, and facilitate the recruitment and retention of outstanding students, staff, faculty, and administrators.

#### **Issue Detail**

Diversity is a multi-faceted concept that includes, but is not limited to, race, ethnicity, national origin, age, sex, disability, religion, sexual orientation, and economic status. Moreover, diversity is critical for student, staff, faculty, and administrative opportunities in order to challenge existing assumptions, entertain alternative theories that advance knowledge, and strengthen abilities to interact more fully in an increasingly diverse world. Through its own “Focused Excellence” initiative, the University of Arizona is challenged to improve the campus climate for all people so that this institution becomes their university of choice whether administrator, staff, faculty, or student.

An area of acute concern is our ability to respond to a student population that is increasingly diverse in race, ethnicity, and gender. Women are currently a majority of students and demographic projections suggest that people of color will account for 80% of the growth in the traditional college age population. We must take prompt action to ensure that the University of Arizona is positioned to meet the needs and expectations of our emerging student population and others who work and learn here.

### **Focused Excellence Strategic Issue # 4:** **Managing Enrollment Growth**

Determining optimal mission-based student demographics (e.g. resident, non-resident), as well as assuring a mix of curricular options within budgetary constraints, is critical to high quality education. This must be achieved within the context of providing for students’ needs and continued access.

#### **Issue Detail**

The University of Arizona’s student enrollment has increased by nearly 7% since FY2000, which is symptomatic of increased numbers of high school graduates in Arizona. During the same period, as a result of budget rescissions and reductions, the General Fund Appropriation dropped 5.9% in constant dollars using the Higher Education Price Index. This, in combination with tuition that is among the very lowest in the nation, threatens the University’s ability to fulfill its mission to provide quality education to Arizona’s citizens.

The likely continuation of these trends highlights the importance of enrollment management as a critical component of the University's ability to sustain and enhance institutional quality.

In order to provide for a growing and diverse student body and to provide for the enrollment of all students that can benefit from a university education, funds for student financial aid must be increased. As indicated in a recent national study, the State of Arizona received a grade of D- for affordability of its colleges and universities with "affordability" meaning the total cost of university attendance for students relative to Arizona's income levels. A reliable measure of affordability for University of Arizona students is the magnitude of unmet need for various classes of students. Unmet need (excluding loans) is calculated by taking the total cost of education (tuition, housing, books, transportation, and personal expenses) less expected family contribution, and gift aid (grants, waivers, and scholarships) yielding the unmet need. Total unmet need for University of Arizona resident students was \$52.9 million in academic year 2000-2001. When loans are subtracted from this amount the unmet need is reduced to \$15.7 million; thus, resident students had to borrow \$37.2 million to attend the University that year. After loans are taken into account, the average student had unmet need of \$1,875; some undoubtedly had to work to make up the difference. Having to borrow to attend college is a particular hardship to low-income students attending college. For non-resident students the total unmet need was \$17.2 million, after loans this fell to \$2.0 million with the latter unmet need averaging \$1,056 per student. Resident graduate students have \$19.6 million in unmet need before loans and \$0.9 million after loans and average \$574 in unmet need in the latter case. Non-resident graduate students have the lowest total unmet need at \$10.5 million excluding loans and \$1.1 million unmet need when loans are included and average \$1,143 in unmet need in the latter case.

The University of Arizona must be diligent in managing issues related to admission requirements, the percentages of resident and non-resident students, financial aid, and the mix of undergraduate and graduate students to assure diversity and meet institutional aims for focused excellence. The results of such efforts will inevitably affect retention, class size, course offerings, student services, administrative processes, advising structures, student's ability to obtain their educational objectives, and other elements that significantly contribute to exceptional academic and social experiences for all students.

### **Focused Excellence Strategic Issue # 5:** **Applying University Knowledge Through Outreach**

The University of Arizona is committed to improving the quality of life by addressing cultural, social, environmental, and economic concerns in both urban and rural areas throughout the State and the nation. Collaborations with community groups, governments, and for-profit entities that promote economic development and social well-being as well as contribute positively to the individuals and communities served by the University of Arizona are the proper focus of outreach programs.

## Issue Detail

The University of Arizona already engages in significant numbers and types of collaborations with various external communities and constituencies. Its Science and Technology Park contributes nearly a billion dollars to the State's economy each year while providing educational opportunities for students and applied research potential for faculty. Initiatives developed with the help of the Technology and Research Initiative Fund (TRIF) support Arizona's bio-industry companies, internet companies, and optical science and technology companies through research and development, workforce development, and technology transfer. TRIF also provides the science based technical, economic, legal, and political expertise necessary for development and use of water in an increasingly urban and industrial state. Approximately 200,000 individuals attend University of Arizona cultural events and museums each year. UA Cooperative Extension counts about 450,000 registered participants in its programs each year. The University also takes its responsibility to aiding in Kindergarten through 12<sup>th</sup> Grade education seriously. Currently there are over 400 programs and partnerships administered out of most colleges that bring University knowledge and techniques to these students and their teachers. This commitment reflects the certain knowledge that students who are prepared and excited about learning will do better beyond high school.

These collaborative efforts and others can be bolstered by a strategic commitment to ongoing public and private partnerships. Achieving these improvements will require:

- Enhancing responsiveness to constituent needs;
- Respecting our collaborators and the knowledge we can gain from them in the teaching/learning interaction;
- Reinforcing the University's role as a neutral facilitator and source of information;
- Finding ways to assure that our institutional climate fosters and integrates outreach, service, and engagement;
- Coordinating collaborative activities to achieve the most out of the resources committed; and
- Developing resource partners who not only benefit from the knowledge/research base, but also share the burden of necessary costs.

Because collaboration is a process that is so valuable to both parties the full cost of many such efforts should no longer be borne by the University.

## **Focused Excellence Strategic Issue # 6:** **Achieving Financial Stability**

To effectively address all the strategic issues discussed, the University must strive to establish a stable and sufficient financial base in order to effectively plan and succeed in its historic mission, vision, and goals for the people of Arizona. In spite of the State's midyear budget rescission in FY 2002 and proposed midyear budget rescission in FY 2003, the University must continue its successful pursuit of securing alternative funding and strongly consider tuition increases. Regular, incremental tuition increases may be the only means available to allow the University to consistently preserve and boost the quality of its instructional programs. Raising tuition must be achieved in ways that assure students of limited financial means provision of need and grant-based financial aid.

### **Issue Detail**

State financial support for public higher education in Arizona has been declining steadily in the past decade. The percentage of the three state university's share of the State General Fund Appropriation decreased from 15.3% in FY 1992 to 8.7% in FY 2002. What is more, during the same period, General Fund Appropriations have decreased, in constant 2000 dollars based on the Higher Education Price Index, from \$315.5 M to \$300.6, a 4.7% decrease. The University is receiving a lower constant dollar general fund appropriation, by approximately \$15 M, now than it was receiving in 1992.

Between 1990 and 2002, the University experienced incredible instability in state funding. An examination of the year-to-year percentage change in constant dollar appropriations illustrates the erratic funding pattern. In 1991, the appropriation increased by 1.3%. This was followed by three years of percentage decreases, 4.2% in 1992, 3.6% in 1993, and 3.3% in 1994. However, between 1995 and 1999, the University experienced increased appropriations, 3.3% in 1995 to a low of 0.5% in 1997 and up to a high of 3.5% in 1999. Over the last three years the year-to-year percentage decreases have been 2.1% in 2000 and 2001 followed by a 3.9% decrease in 2002. Thus, over the twelve year period there have been six year-to-year percentage increases and six year-to-year percentage decreases. Such instability and variable funding behavior complicates effective planning and thwarts the realization of the mission, vision, and goals set forth.

State support of physical plant maintenance and renewal is also an area of concern. According to the formula, the appropriation for this purpose has been fully funded only once since FY 1990. In 1999, the appropriation was reduced to 16 M and has been reduced to \$0 for FY 2002 and FY 2003. Deferred maintenance continues to be a problem that hampers the University's ability to maintain and modernize existing buildings in order to meet its historic mission, vision, and goals.

Effective University planning, in order to preserve and enhance institutional quality and effectiveness in instruction, service, and research, is complicated due to the irregular nature of state appropriations. Furthermore, effective planning will be exacerbated by the

ongoing decrease in State revenues and by the proposed 5% budget reduction in the FY 2003 University budget.

## Goals

- Enhance our position as a pre-eminent center of learning, research and discovery.
- Achieving preeminence in an array of compelling research-based activities that provide the vehicle for advancing knowledge and increasing the quality of life for people in the State, the nation, and the world.
- Create a dynamic, inclusive community that inspires and engages its members and promotes a sense of belonging.
- To serve undergraduate, graduate, and professional students creatively and effectively in one of the nation's premier public research universities, emphasizing learner-centered educational approaches that engage students in research and prepare undergraduate, graduate, and professional students as tomorrow's leaders.
- Collaborate with the people, businesses, and organizations of Arizona and beyond to improve quality of life and address issues through community engagement.
- Acquire institutional financial and physical resources required for the University of Arizona to meet its constitutional obligations to provide instruction "as nearly free as possible" and to support its mission, vision, and goals.

## Strategies

**Goal:** *Enhance our position as a pre-eminent center of learning, research and discovery.*

- Retain and recruit top faculty.
- Provide faculty with market-competitive compensation packages comparable to those of University of Arizona peers.
- Work toward competitive student-faculty ratios.
- Retain and recruit faculty who are committed to the concept of a student-centered research university.
- Retain and recruit high-quality graduate students with competitive support and benefits packages.
- Through increases in compensation, professional development, and other motivational tools, minimize loss of critical classified staff and appointed personnel.
- Obtain and maintain the technology required to support articulated needs in information technology.
- Prioritize and fund building renewal and classroom upgrades with an emphasis on those areas most critical to focused excellence.

- Provide University libraries with the resources required to regain top peer rankings providing the resultant ability to support high quality education and research service.
- Maintain and enhance a campus environment that achieves optimal satisfaction by all members of a diverse educational community.

**Goal:** *Achieving preeminence in an array of compelling research-based activities that provide the vehicle for advancing knowledge and increasing the quality of life for people in the State, the nation, and the world.*

- Emphasize basic research in areas of university strength and focused excellence.
- Enhance and expand faculty participation in interdisciplinary programs.
- Develop partnerships with industries to capitalize on applied research and build momentum in key clusters.
- Develop and encourage outreach for research in the arts and humanities through exhibits and performance programs on campus and beyond.
- Collaborate on research with the people and organizations of Arizona, the Southwest, and beyond.
- Ensure the availability of electronic tools to facilitate global communication and collaboration.
- Support faculty in their efforts to successfully transfer University developed technologies to non-education based entities.

**Goal:** *Create a dynamic, inclusive community that inspires and engages its members and promotes a sense of belonging.*

- Complete and implement the diversity action plan.
- Increase the diversity of content and concepts in curricular offerings throughout the University.
- Retain and recruit a diverse faculty, staff, and student body.
- Promote and provide professional development opportunities for all employees.
- Focus student services on the changing student population, especially on those who must work to attend the University.
- Promote full representation of all populations in policy, program, and facilities development.
- Enhance programs that connect what happens in the classroom to students' lives.
- Provide increased opportunities for students, faculty, staff, and alumni of diverse backgrounds and cultures to interact and learn from one another in a positive non-threatening atmosphere.
- Create an environment that fosters collaboration among students, faculty, staff, appointed personnel, alumni, legislators, business and community leaders, benefactors, and contributors in an interdisciplinary way.
- Support the work/life issues of all members of the University community

(e.g., child care and eldercare resources, partner benefits, alternate schedules, and high quality wellness programs).

- Improve feedback and performance management systems.
- Remove barriers to individual success and engagement (e.g., adaptive fitness, accessibility and accommodation services, and advocacy programs).
- Create a culture of civility that recognizes the value of each community member and promotes fair processes in problem resolution.
- Develop leaders and managers to effectively lead and guide a diverse student-body and workforce.

**Goal:** *To serve undergraduate, graduate, and professional students creatively and effectively in one of the nation's premier public research universities, emphasizing learner-centered educational approaches that engage students in research and prepare undergraduate, graduate, and professional students as tomorrow's leaders.*

- Recruit and retain top-quality students.
- Improve retention and graduation rates.
- Attract and retain a greater percentage of quality students representing underserved populations.
- Achieve competitive levels and types of financial aid in ways that address unmet need.
- Restructure programs to assure continued and improved excellence.
- Improve and expand learner-centered teaching.
- Improve student access to ranked faculty in undergraduate coursework with attention paid to reasonable class sizes.
- Automate as many administrative tasks as possible for better and faster service.
- Manage student growth to ensure that enrollment increases are consonant with institutional capacity.
- Set targets for achieving the optimal mission-based student demographics required for both University and college level excellence.

**Goal:** *Collaborate with the people, businesses, and organizations of Arizona and beyond to improve quality of life and address issues through community engagement.*

- Collaborate with Arizona communities, businesses, and governments to apply University expertise to critical local issues.
- Maintain and strengthen the relationships between the University and Hispanic and Native American groups to address issues unique to those growing populations in Arizona.
- Enhance those programs that aid urban populations in understanding how to live within the environmental constraints of the American Southwest

while maintaining the quality of life for which this region of the country is famous.

- Develop our comparative advantage as a land-grant institution in one of four states bordering Mexico.
- Promote the impact of research and community outreach on the State's future competitiveness in a global economy.

**Goal:** *Acquire institutional financial and physical resources required for the University of Arizona to meet its constitutional obligations to provide instruction "as nearly free as possible" and to support its mission, vision, and goals.*

- Develop a fiscally responsible Capital Improvement Plan that addresses campus needs.
- Achieve appropriate tuition levels within national trends.
- Differentiate tuition and fees based on academic program.
- Provide tuition and aid packages that attract top students and assure affordability to those students who require financial assistance.
- Seek greater sufficiency through entrepreneurship, creative pursuit of resources, and securing a greater share of national resources.
- Strategically alter the mix of out-of-state and in-state students while still assuring all qualified in-state students entry into the university system.
- Promote the development of funding from sources beyond those traditionally tapped.
- Develop a system that more consistently and completely tracks grant and contract dollars and faculty/staff effort.
- Advocate for change in the State tax revenue system.

## **Resource Assumptions**

Due to current economic conditions, some level of budget reduction is likely during FY2003. For purposes of planning, the University of Arizona has assumed a 5% budget reduction in its General Fund appropriation for FY03 for both the Main Campus as well as the Arizona Health Sciences Center (AHSC). This reduction is reflected in the table below in the column labeled "revised estimate." Other fund sources such as non-appropriated funds, auxiliary revenues and federal funds have not been reduced and budget estimates are expected to hold. For tuition revenue, while earlier projections remain unchanged, it should be noted that there exists some uncertainty as to whether revenue will be sustained at previously projected levels given more limited class availability and services that will occur in the Spring 2003 semester as a result of General Fund cutbacks. In developing plans, it is anticipated that an appropriate increase in tuition each year will be authorized by the Arizona Board of Regents.

The overall effect of a 5% reduction places significant additional stress on virtually all programs of the university including AHSC and will result in yet to be determined personnel losses in many campus units and departments. For Universities, mid-year budget

reductions present special issues due to the constraints resulting from a substantial number of year-long employee contracts compounded by the need to support and maintain large physical plants and infrastructure.

Every effort is being made to maintain essential student services but previous reductions have already stripped most academic and support units to minimal levels. A program of Focused Excellence is underway to identify those programs essential to maintaining the University of Arizona’s standing as a premier student-centered research university. This concept, while still in its early formative stages, is one which when coupled to the Changing Directions project initiated by the Arizona Board of Regents, holds the potential for long term benefits for the University and state higher education. It is expected that through development of key programmatic themes coupled with careful evaluation and matching of institutional strengths will allow the university to offer strong, vibrant and nationally recognized educational programs to our students and throughout the state. Looking forward, this process is built upon successfully engaging each of the strategic issues previously mentioned. It will, as a matter of course, result in some selected program closures, mergers, or reorganizations which will focus and define the scope of our activities. Our present challenge now is to support the critical programs and student instruction in the face of immediate budget reductions while financial benefits and restructuring from these efforts will not be realized for some time.

In the near-term, the projected reduction will negatively affect class availability and will likely make it difficult for some students to get the classes they need during spring semester. While our issues and goals are clear, the near-term General Fund reductions resulting from a lagging state economy will slow progress on the strategic issues identified for both the Main Campus as well as the Arizona Health Sciences Center. Should the economy continue to falter for an extended period, the educational programs now available to all we serve and our progress toward meeting the challenges outlined in the Strategic Issues will be severely compromised. Among the consequences will be an increased risk of failing to meet the objectives for quality, service and performance for the people of Arizona as articulated in this Five-Year Strategic Plan.

FY 2003 Original (thousands)		Revised Estimate
General Funds	278,657.3	263,687.9
Other Appropriated Funds	93,973.4	84,320.1
Other Non Appropriated Funds	366,917.4	366,917.4
Federal Funds	168,242.9	168,242.9
Program Total	907,790.0	883,168.3
Program Total FTE	5,674.4	5,461.4

## Resources

### *Strategic Issue #1: Building Intellectual and Structural Foundations*

	Incremental costs; constant/nominal dollars; in thousands				
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
General Funds	14,684.5	8,724.4	8,780.5	8,807.6	8,741.8
Other Appropriated Funds	0.0	3,524.0	3,700.2	3,885.2	4,079.5
Other Non-appropriated Funds	1,982.3	2,521.3	2,578.0	3,221.8	3,611.4
Federal Funds	434.6	834.3	861.4	1,026.3	1,135.7
Full-time Equivalent	141.4	122.6	126.9	139.3	148.5
Strategic Issue Total Funds	17,101.3	15,604.0	15,920.1	16,940.9	17,568.4

### *Strategic Issue #2: Enhancing Research and Collaborative Relationships*

	Incremental costs; constant/nominal dollars; in thousands				
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
General Funds	5,548.9	3,639.6	3,646.0	3,637.2	3,581.3
Other Appropriated Funds	0.0	0.0	0.0	0.0	0.0
Other Non-appropriated Funds	991.1	1,260.6	1,289.0	1,610.9	1,805.7
Federal Funds	2,028.0	3,893.4	4,020.0	4,789.2	5,300.0
Full-time Equivalent	70.9	72.3	74.5	87.1	95.4
Strategic Issue Total Funds	8,568.0	8,793.7	8,955.0	10,037.3	10,687.0

### *Strategic Issue #3: Serving a Diverse Population*

	Incremental costs; constant/nominal dollars; in thousands				
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
General Funds	1,667.4	1,022.8	1,027.8	1,029.1	1,018.7
Other Appropriated Funds	0.0	281.9	296.0	310.8	326.4
Other Non-appropriated Funds	330.4	420.2	429.7	537.0	601.9
Federal Funds	57.9	111.2	114.9	136.8	151.4
Full-time Equivalent	16.8	14.1	14.5	16.3	17.5
Strategic Issue Total Funds	2,055.7	1,836.1	1,868.4	2,018.7	2,098.4

### *Strategic Issue #4: Managing Enrollment Growth*

	Incremental costs; constant/nominal dollars; in thousands				
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
General Funds	3,441.4	2,228.9	2,234.1	2,230.2	2,198.1
Other Appropriated Funds	0.0	281.9	296.0	310.8	326.4
Other Non-appropriated Funds	1,651.9	2,101.1	2,148.4	2,684.8	3,009.5
Federal Funds	86.9	166.9	172.3	205.3	227.1
Full-time Equivalent	43.0	37.9	38.9	45.7	50.0
Strategic Issue Total Funds	5,180.2	4,778.8	4,850.8	5,431.1	5,761.1

***Strategic Issue #5: Applying University Knowledge Through Outreach***

	Incremental costs; constant/nominal dollars; in thousands				
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
General Funds	3,222.8	2,000.4	2,009.1	2,010.2	1,988.1
Other Appropriated Funds	0.0	141.0	148.0	155.4	163.2
Other Non-appropriated Funds	991.1	1,260.6	1,289.0	1,610.9	1,805.7
Federal Funds	57.9	111.2	114.9	136.8	151.4
Full-time Equivalent	35.3	26.3	27.1	31.3	34.0
Strategic Issue Total Funds	4,271.9	3,513.3	3,560.9	3,913.4	4,108.3

***Strategic Issue #6: Achieving Financial Stability***

	Incremental costs; constant/nominal dollars; in thousands				
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
General Funds	32,283.7	32,402.4	34,638.0	37,030.4	39,571.4
Other Appropriated Funds	0.0	469.9	493.4	518.0	543.9
Other Non-appropriated Funds	660.8	840.4	859.3	1,073.9	1,203.8
Federal Funds	231.8	445.0	459.4	547.3	605.7
Full-time Equivalent	47.3	34.6	35.6	39.7	42.6
Strategic Issue Total Funds	33,176.2	34,157.7	36,450.1	39,169.6	41,924.8

**Total Funds**

	Incremental costs; constant/nominal dollars; in thousands				
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
General Funds	60,848.6	50,018.6	52,335.4	54,744.8	57,099.5
Other Appropriated Funds	0.0	4,698.7	4,933.6	5,180.3	5,439.3
Other Non-appropriated Funds	6,607.6	8,404.3	8,593.4	10,739.4	12,037.9
Federal Funds	2,897.1	5,562.1	5,742.8	6,841.7	7,571.5
Full-time Equivalent	354.7	307.7	317.5	359.4	388.0
<b>Total for All Strategic Issues</b>	<b>70,353.3</b>	<b>68,683.6</b>	<b>71,605.2</b>	<b>77,506.1</b>	<b>82,148.1</b>

## Performance Measures

	<u>FY2002</u> Actual	<u>FY2003</u> Estimate	<u>FY2004</u> Estimate
Percent of graduating seniors who rate their overall experience as good or excellent	96.1%	94.5%	94.5%
Percentage of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	67%	65%	65%
Number of degrees granted			
<b>Total</b>	6,398	6,475	6,540
Bachelors	4,743	4,790	4,830
Masters	1,179	1,185	1,190
First Professional	146	150	150
Doctorate	330	350	370
Average number of years taken to graduate for students who began as freshmen	4.73	4.75	4.75
Administration as a percent of total cost	1.7%	1.6%	1.6%
Agency staff turnover <i>(Reflects turnover of classified staff only, which is comparable to the DOA Personnel System which includes only covered positions in turnover.)</i>	16.3%	17.0%	17.0%
Gifts, grants, and contracts (millions)	237	246	255