

EXECUTIVE SUMMARY

Item Name: Request to Approve Northern Arizona University’s Proposal for the Use of TRIF Supported Opportunity Initiative Funds

Action Item

Requested Action: Northern Arizona University asks the board to approve the university’s proposal to expend \$20 million in TRIF Opportunity Initiative funds for access and Arizona workforce development programs.

Background/History of Previous Board Action

Arizona law established TRIF from Proposition 301 state sales tax revenue and gives ABOR the authority to administer the fund on universities’ behalf.

In compliance with the TRIF statute, the board allocates funding to the university to invest in programs that address one of the five strategic research and workforce areas:

- Improving Health;
- Water, Environment and Energy Solutions;
- National Security Systems;
- Space Exploration and Optical Solutions, and
- Workforce Development.

Discussion

In FY 2021, the board received more TRIF revenue than originally budgeted. The board is distributing to the universities a significant portion of the additional revenue received as TRIF Opportunity Initiative Funds. The TRIF Opportunity Initiative funding totals \$40 million in FY2022. This one-time funding is allocated as follows:

- \$10 million to ASU
- \$20 million to NAU
- \$10 million to UArizona.

Each university is asked to submit a proposal explaining how the institution intends to expend its portion of the Opportunity Initiative funding in accordance with board expectations and TRIF statutory requirements.

NAU is proposing to use its \$20 million allocation to launch new programs to advance NAU’s efforts to deliver equitable postsecondary value to students and Arizona communities. NAU will focus on expanding access and furthering meeting Arizona’s

Contact Information:

Chad Sampson, ABOR
Ken Polasko, ABOR
Jason Wilder, NAU

chad.sampson@azregents.edu
ken.polasko@azregents.edu
jason.wilder@nau.edu

602-229-2512
602-229-2591
480-965-4087

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workforce needs. This investment will provide for innovative degree and certificate programs and impactful student support enhancements that will increase access, retention, and graduation rates. NAU's full proposal is attached.

Committee Review and Recommendation

The Research and Health Sciences Committee reviewed this item at its January 27, 2022 meeting and recommended forwarding the item to the full board for approval.

Statutory/Policy Requirements

A.R.S. §15-1648 "Technology and Research Initiative Fund"

ABOR Policy 3-412 "Administration of Technology and Research Initiative Fund"

Proposal for TRIF Supported Opportunity Initiative Funds

Submitted January 14, 2022

Executive Summary

This document contains an overview of NAU's proposal for TRIF Supported Opportunity Initiative Funds. Proposal accounts for the distribution of an additional **\$20,000,000** in FY22 TRIF funding to advance NAU's efforts to deliver equitable postsecondary value to students and Arizona communities. Through efforts to expand access and increase educational attainment for time and place-bound students and historically underserved populations, NAU will focus on furthering individual advancement and meeting the workforce needs of the State of Arizona. This investment will provide transformative learning opportunities through innovative degree and certificate programs and impactful student support enhancements that will increase access, retention, and graduation rates.

TRIF Educational Attainment and Workforce Development Allocation

NAU proposes to use the additional \$20,000,000 allocation to the university's *July 1, 2021 – June 30, 2024 Technology and Research Initiative Fund (TRIF) Three-Year Project Plan* for one-time projects (e.g., program expansions and seed money for new initiatives) to increase educational attainment and develop workforce capacity for Arizona.

In alignment with the provisions of TRIF to leverage existing funds, NAU will proactively work to identify and secure additional public and private funding and partnerships with philanthropic, non-profit, and business organizations to enhance the potential of this funding and accelerate progress in the development and implementation of the various programs in the investment portfolio.

Investment Areas

NAU has a 122-year history of serving as an engine of opportunity, a vehicle of upward mobility, and a driver of transformative change for the people of Arizona and beyond, through its Flagstaff Mountain Campus and Statewide and Online Programs. Paradoxically, however, at a time when Arizona's economic growth rate is among the top in the nation, the state's educational attainment rate is among the lowest. NAU recognizes the urgent need to broaden participation, increase completion rates, reduce completion gaps, and strengthen post-college outcomes by leveraging its large footprint in the state and its longstanding partnerships with K-12 schools, Community Colleges, Tribal Colleges, Non-Governmental Organizations, State Agencies, and its sister institutions—Arizona State University and the University of Arizona—to address and remedy the state's educational gap.

To broaden the impact and scope of NAU's contributions to educational attainment, workforce development, and economic mobility in Arizona, NAU will design, develop, implement, and continuously assess a broad portfolio of innovative and evidence-based programs categorized under the following three action areas:

- **Broadening Participation:** NAU will invest in programs designed to increase the number and diversity of Arizona resident students participating in higher education, especially from underserved and rural communities. Using programs such as those outlined below, NAU will increase enrollment and degrees awarded to time and place bound students through NAU

statewide and online programs, creating seamless pathways for students to meet their full potential.

- Through more inclusive recruitment, admissions, financial aid, and developmental education policies and practices, NAU will expand access and increase enrollment for a broader range of learners, including students interested in earning college credits while in high school; recent high school graduates who need developmental support in their first year; students who transfer from community colleges or tribal colleges and need differentiated support services; adults with some college credits, but no degree; and adults interested in re-skilling and up-skilling programs that will boost their earning potential and quality of life.
- NAU has already charged an action team to examine and revise our current portfolio of statewide academic programs, delivery models, and student support services. These efforts will provide alignment between the unique labor demand and support needs of the communities and regions surrounding each statewide site. NAU's implementation of related actions will be data-driven and well-informed through the collective work of the action team.
- NAU will enhance its efforts with high schools and other stakeholders, through alignment and clarity in admissions and cost of attendance, better transferability of credits earned, and tailored advising. Collaboration and support for implementation of these changes will be critical to successfully achieve the desired outcomes of broadening participation through strategic policy changes.
- **Increasing Completion Rates and Reducing Completion Gaps:** NAU will invest in programs designed to increase completion rates for all students and reduce completion gaps. Potential programs in this area include differentiated support services, high-impact academic practices, and curricular and co-curricular initiatives to improve retention rates, increase momentum toward a degree or credential, and increase graduation rates for all students.
 - NAU will expand and develop new services devoted to increasing student access and success that complement the tailored academic program offerings by location and modality. The emphasis of these efforts will be on NAU statewide and online students, working to attract and serve adult learners and transfer students, particularly historically underserved populations, with barrier-free educational pathways.
 - Coordinated oversight of NAU's statewide infrastructure will support aggressive student recruitment, support, and retention, as well as academic program expansion and partnership development envisioned in NAU's Strategic Roadmap.
- **Strengthening Post-College Outcomes:** NAU will invest in efforts designed to strengthen post-college outcomes. Potential programs include better aligning the university's educational offerings to Arizona's workforce needs, ensuring that students have access to meaningful internships and experiential learning opportunities, providing students with opportunities to graduate with a degree—plus a certificate, as applicable—and critical career preparedness experience in areas of high-demand, improving career placements for students and serving Arizona employers with a qualified pipeline of graduates.
 - The demand for workforce development, lifelong learning, and professional development offerings remains strong across Arizona. In response, NAU has identified data-driven

- demand for launching workforce offerings and development centers that can be expanded in statewide locations to provide affordable and accessible education and training, meeting people where they live and work.
- Investments to expand internship support and placement opportunities, as well as experiential learning throughout the curriculum will lead to increased student participation in these crucial learning and career preparation opportunities, equipping students with the tools to realize their career aspirations and attain postgraduate success in the workforce.
 - Enhanced career services and post-graduation placements will be supported to benefit both students and Arizona employers, particularly those in high need communities.

Systematic Processes for Implementation, Metric Setting, and Reporting

NAU will establish an internal advisory board to help guide programmatic investments in the areas outlined above. The advisory board will support NAU's efforts to develop a portfolio of innovative, evidence-based initiatives that will build the university's institutional capacity to not only expand student access, increase completion rates, reduce completion gaps, and improve post-college outcomes, but will also ensure that NAU is preparing its graduates to become educated, empowered, and engaged members of their communities. The university will establish a robust data analytics operation to quantify progress through validated metrics for each action area. NAU will expand financial support for current programs with the highest estimated return on investment and provide seed funding for programs with demonstrated success at other institutions across the country and/or promising outcomes based on early assessment of pilot programs.

NAU is currently developing a list of investment recommendations and exploring shovel ready projects that can be funded immediately with this TRIF allocation. Specific programs will be described in NAU's FY21 TRIF Annual Report, due to ABOR in Fall 2022.

In making investment recommendations, the advisory board will prioritize initiatives that help build institutional capacity (infrastructure, programming, staffing) and support student progression (financial aid and advising), while contributing to the financial health of the university through the promise of recurring revenue streams that will ensure funded initiatives can become self-supported. The advisory board will also prioritize investment in initiatives that positively impact large numbers of students through access, retention, graduation, and post-college outcomes, and help differentiate NAU's mission within the Arizona and national higher education landscape.

In short, impact on student success, ability to grow and broaden student participation, and capacity to equip students with skills in demand from priority industries in the state will be the primary metrics in which these efforts will be evaluated. Specific metrics for these investment areas will be developed as part of the NAU's Strategic Roadmap process and as part of NAU's collaborative process with the Arizona Board of Regents to develop and align our Institutional and Enterprise Metrics. President Cruz Rivera aims to present to the Arizona of Board of Regents NAU's Strategic Roadmap and metrics in summer of 2022, one year into his presidency.