

Arizona Board of Regents

	FY 2021 ACTUAL	FY 2022 ESTIMATE	FY 2023 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	25.9	25.9	30.9
Personal Services	1,608,700	1,438,400	1,438,400
Employee Related Expenditures	669,400	560,300	560,300
Professional and Outside Services	58,300	60,500	60,500
Other Operating Expenditures	129,100	360,700	833,200
Equipment	19,800	1,400	1,400
OPERATING SUBTOTAL	2,485,300	2,421,300	2,893,800
SPECIAL LINE ITEMS			
Adaptive Athletics	160,000	160,000	160,000 ^{1/}
Arizona Promise Program	0	7,500,000	7,500,000
Arizona Teachers Academy	14,485,200	15,000,000	15,000,000
Arizona Teachers Incentive Program	90,000	90,000	90,000
Arizona Teacher Student Loan Program	0	0	426,000
Arizona Transfer Articulation Support System	213,700	213,700	213,700
Leveraging Education Assistance Partnership	0	0	2,319,500 ^{2/}
Washington D.C. Internships	300,000	300,000	300,000 ^{3/}
Western Interstate Commission Office	153,000	153,000	153,000
WICHE Student Subsidies	4,072,000	4,078,000	4,078,000
AGENCY TOTAL	21,959,200	29,916,000	33,134,000 ^{4/5/6/}
FUND SOURCES			
General Fund	21,959,200	29,916,000	31,596,900
<u>Other Appropriated Funds</u>			
Postsecondary Education Fund	0	0	1,537,100
SUBTOTAL - Other Appropriated Funds	0	0	1,537,100
SUBTOTAL - Appropriated Funds	21,959,200	29,916,000	33,134,000
Other Non-Appropriated Funds	10,219,100	44,542,600	44,542,600
Federal Funds	0	0	186,200
TOTAL - ALL SOURCES	32,178,300	74,458,600	77,862,800

AGENCY DESCRIPTION — Article 11 of the Arizona Constitution creates the Arizona Board of Regents (ABOR). ABOR governs the 3 state institutions comprising the Arizona University System: Arizona State University (ASU), Northern Arizona University (NAU), and the University of Arizona (UA). The board is legally, fiscally, and strategically responsible for the state universities.

FOOTNOTES

- ^{1/} The Arizona board of regents shall distribute monies appropriated for the adaptive athletics line item to each university under the jurisdiction of the board to maintain and operate an intercollegiate adaptive athletics program that provides opportunities for competitive wheelchair and adaptive sports to students and community members with disabilities. The monies may be spent only when the university collects matching monies of gifts, grants and donations for the intercollegiate adaptive athletics program from sources other than this state. Universities may spend the monies only on scholarships, equipment, uniforms, travel expenses and tournament fees for participants in the intercollegiate adaptive athletics program. The monies may not be used for administrative costs, personal services or employee related expenditures. (General Appropriation Act footnote)
- ^{2/} In order to be eligible to receive state matching monies under the leveraging educational assistance partnership for grants to students, each participating institution, public or private, shall provide an amount of institutional matching monies that equals the amount of monies provided by this state to the institution for the leveraging educational assistance partnership. Administrative expenses incurred by the Arizona board of regents shall be paid

from institutional matching monies and may not exceed twelve percent of the monies in fiscal year 2022-2023. (General Appropriation Act footnote)

- 3/ The Arizona board of regents shall distribute monies appropriated for Washington, D.C. internships in equal amounts to each of the three universities under the jurisdiction of the board to provide full-time students with student internships in Washington, D.C. in partnership with a third-party organization. The Arizona board of regents shall reallocate any monies that are unspent on March 15, 2023 and shall make the monies available to any full-time student enrolled at a university under the jurisdiction of the board to provide student internships in Washington, D.C. The third-party organization must meet the following requirements:
 1. Have partnerships with Washington, D.C.-based organizations to provide full-time, semester-long student internships.
 2. Provide at least one academic course and a full-time internship schedule Monday through Thursday each week throughout the duration of student internships.
 3. Have the ability to place as many students in internships as needed by the universities.
 4. Have experience placing students in internships for at least ten consecutive years.
 5. Have dedicated staff to ensure that student interns have access to internships in their areas of interest.
 6. Have fully furnished housing available for student interns. (General Appropriation Act footnote)
- 4/ Within ten days after the acceptance of the universities' semiannual all funds budget reports, the Arizona board of regents shall submit a current year expenditure plan to the joint legislative budget committee for review. The expenditure plan shall include the use of all projected tuition and fee revenues by expenditure category, including operating expenses, plant fund, debt service and financial aid. The plan shall include the amount by which each expenditure category is projected to increase over the prior year and shall provide as much detail as the university budget requests. The plan shall include the total revenue and expenditure amounts from all tuition and student fee revenues, including base tuition, differential tuition, program fees, course fees, summer session fees and other miscellaneous and mandatory student fee revenues. (General Appropriation Act footnote)
- 5/ When determining any statewide adjustments, the joint legislative budget committee staff shall use the overall allocation of state general fund and appropriated tuition monies for each university in determining that university's specific adjustment. (General Appropriation Act footnote)
- 6/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

Operating Budget

The Baseline includes \$2,893,800 and 30.9 FTE Positions in FY 2023 for the operating budget. These amounts consist of:

	FY 2023
General Fund	\$2,455,400
Postsecondary Education Fund	438,400

FY 2023 adjustments are as follows:

Agency Transfer

The Baseline includes an increase of \$472,500 and 5 FTE Positions in FY 2023 for the transfer of agency responsibilities from the Commission for Postsecondary Education (CPSE) to the Arizona Board of Regents (ABOR). These amounts consist of:

General Fund	34,100
Postsecondary Education Fund	438,400

Laws 2021, Chapter 410 transfers the responsibilities of CPSE to ABOR effective January 1, 2022. The amount transferred to the ABOR operating budget reflects CPSE's

FY 2022 appropriations for its operating budget, the Arizona College and Career Guide line item, Arizona Minority Educational Policy Analysis Center line item, and the Twelve Plus Partnership line item. *(Please see the Commission for Postsecondary Education section and ABOR – Other Issues section for additional information.)*

Adaptive Athletics

The Baseline includes \$160,000 from the General Fund in FY 2023 for Adaptive Athletics. This amount is unchanged from FY 2022.

ABOR is required to distribute monies in this line item to the 3 state universities for intercollegiate adaptive athletics programs for students with physical challenges. These programs may only use this appropriation when matching monies are collected, and may only use monies for scholarships, equipment, uniforms, travel expenses, and tournament fees for program participants. ABOR distributed monies in this line item to the University of Arizona in FY 2021.

Arizona Promise Program

The Baseline includes \$7,500,000 from the General Fund in FY 2023 for the Arizona Promise Program. This amount is unchanged from FY 2022.

The Arizona Promise Program provides financial assistance to full-time university students who qualify for in-state tuition, graduated from an Arizona high school with a minimum 2.5 cumulative grade point average, and meet the eligibility requirements for federal Pell Grants. Monies for the program are deposited to the Arizona Promise Program Fund and up to 3% of the monies can be used to pay for marketing and administration expenses.

Arizona Teachers Academy

The Baseline includes \$15,000,000 from the General Fund in FY 2023 for the Arizona Teachers Academy. This amount is unchanged from FY 2022.

The Arizona Teachers Academy provides tuition and fee awards to university students enrolled in education and non-education majors, community college students enrolled in post-baccalaureate teacher certification programs, and teachers seeking national board certification. For every year of receipt, students agree to teach 1 year in an Arizona public school.

The academy also receives monies from the Student Support Safety Fund established by Proposition 208. After monies in the fund are used by state agencies for administrative costs of the initiative, ABOR receives a distribution of 3% from the fund.

Monies for the academy are deposited to the Arizona Teachers Academy Fund and up to 3% of the monies may be used for marketing and administration expenses. ABOR provides centralized administrative processes for the academy, including distributing appropriated monies to eligible postsecondary institutions.

Proposition 208 allows awards up to the actual cost of tuition and fees after all other aid is received for both resident and non-resident students.

ABOR is required to submit a report to JLBC by March 1 of each year, which includes current academy enrollment and estimated monies committed from the appropriation. In FY 2021, 3,051 students were enrolled in the academy, of which 1,934 are undergraduate students, 545 are graduate students, 407 are community college post-baccalaureate students, 165 are teachers seeking a national board certification.

Arizona Teachers Incentive Program

The Baseline includes \$90,000 from the General Fund in FY 2023 for the Arizona Teachers Incentive Program (ATIP). This amount is unchanged from FY 2022.

Laws 1990, Chapter 340 mandates that ABOR establish and administer a loan program for students of deaf and blind education at the UA College of Education. Students may earn forgiveness for their loans by teaching in an Arizona deaf and blind program for a time equal to their period of loan support.

Arizona Teacher Student Loan Program

The Baseline includes \$426,000 from the General Fund in FY 2023 for the Arizona Teacher Student Loan Program (ATSLP). FY 2023 adjustments are as follows:

Agency Transfer

The Baseline includes an increase of \$426,000 from the General Fund in FY 2023 for the transfer of agency responsibilities from CPSE to ABOR. *(Please see the Commission for Postsecondary Education section and ABOR – Other Issues section for additional information.)*

ATSLP offers forgivable loans to resident students pursuing a teaching degree at a private postsecondary institution and who agree to teach math, science, or special education at an Arizona public school upon graduation. Students in the program are required to teach for 1 year for each year that they receive the loan, plus 1 additional year. Teachers must practice in rural, low-income, or tribal schools.

Arizona Transfer Articulation Support System

The Baseline includes \$213,700 from the General Fund in FY 2023 for the Arizona Transfer Articulation Support System (ATASS). This amount is unchanged from FY 2022.

A.R.S. § 15-1824 establishes ATASS as a joint initiative, among the public community colleges and universities, to facilitate efficient transfer of course curricula and credits. The tribal colleges and community college districts overall contribute \$277,200 to the system each year. The 3 state universities also contribute a combined \$277,200 to the system each year.

Leveraging Education Assistance Partnership

The Baseline includes an increase of \$2,319,500 from the General Fund in FY 2023 for the Leveraging Education Assistance Partnership (LEAP). This amount consists of:

General Fund	1,220,800
Postsecondary Education Fund	1,098,700

FY 2023 adjustments are as follows:

Agency Transfer

The Baseline includes an increase of \$2,319,500 in FY 2023 for the transfer of agency responsibilities from CPSE to ABOR. This amount consists of:

General Fund	1,220,800
Postsecondary Education Fund	1,098,700

(Please see the Commission for Postsecondary Education section and ABOR – Other Issues section for additional information.)

LEAP is a state and institutional partnership that provides financial assistance to students demonstrating substantial financial need. To be eligible, students must attend, on at least a half-time basis, an approved program at a properly accredited Arizona postsecondary educational institution (including public universities, public community colleges, private collegiate institutions, and proprietary schools).

Washington, D.C. Internships

The Baseline includes \$300,000 from the General Fund in FY 2023 for Washington, D.C. Internships. This amount is unchanged from FY 2022.

ABOR distributes monies in this line item in equal amounts to each of the 3 state universities to provide internships in partnership with a third-party organization. These monies fund approximately 40 student internships each year.

Western Interstate Commission Office

The Baseline includes \$153,000 from the General Fund in FY 2023 for the Western Interstate Commission Office. This amount is unchanged from FY 2022.

Monies in this line item pay the state’s share of administrative expenditures for the Western Interstate Commission on Higher Education (WICHE), in accordance with A.R.S. § 15-1742. The WICHE central office sets the administrative fee.

WICHE Student Subsidies

The Baseline includes \$4,078,000 from the General Fund in FY 2023 for WICHE student subsidies. This amount is unchanged from FY 2022.

Monies in this line item provide subsidies to Arizona students participating in the WICHE Professional Student Exchange Program (PSEP). Since the Arizona University System does not currently offer programs in dentistry, optometry, osteopathy, or podiatry, PSEP allows interested students to enroll in these programs at private in-state institutions or other public western universities.

Participating students receive admissions preference and subsidized tuition. A.R.S. § 15-1745 requires graduates to practice 1 year in Arizona, or 6 months in an under-served Arizona community, for each year of WICHE support. Participants who fail to meet their service requirements must repay 100% of their subsidies, plus interest.

The WICHE central office determines subsidy amounts for each program through negotiations with participating institutions. As rough guidance, WICHE subsidies are intended to cover the difference between resident and non-resident tuition at a public university or approximately half the private university tuition rate.

Other Issues

This section includes information on the following topics:

- Statutory Changes
- Long-Term Budget Impacts
- Commission for Postsecondary Education Transfer
- Arizona Financial Aid Trust
- 2003 Research Infrastructure Refinancing
- 2017 University Capital Infrastructure Funding
- Tuition Distribution
- American Rescue Plan Act - Maintenance of Effort
- Auditor General Report
- University System Summary Tables

Statutory Changes

The Baseline would, as session law, continue to suspend the statutory requirement that the state provide a 2:1 ratio of state funding to student fees deposited into the Arizona Financial Aid Trust (AFAT).

Long-Term Budget Impacts

As part of the Baseline's 3-year spending plan, universitywide General Fund costs are projected to increase by \$89,100 in FY 2024 above FY 2023, and increase by \$156,100 in FY 2025 above FY 2024. These estimates are based on:

- A \$(500,000) decrease in FY 2024 to remove one-time funding for the UA Agriculture Workforce Development Program.
- Increases of \$10,300 in FY 2024 and decreases of \$(434,300) in FY 2025 to adjust for university debt service costs. *(Please see the 2003 Research Infrastructure Refinancing narrative for more information.)*
- Increases of \$578,800 and \$590,400 in FY 2024 and FY 2025, respectively, to increase the universities' annual Capital Infrastructure Funding appropriation. *(Please see the 2017 University Infrastructure Funding section for more information.)*

Commission for Postsecondary Education Transfer

Laws 2021, Chapter 410 repeals CPSE and transfers its responsibilities to ABOR beginning January 1, 2022. While the FY 2022 General Appropriation Act appropriated monies to CPSE separately, Chapter 410 transfers all duties and unexpended monies to ABOR on the effective date. To simplify the budget display, the FY 2022 column of this budget does not reflect the transfer. *(Please see the Commission for Postsecondary Education section for more information.)*

Arizona Financial Aid Trust

Pursuant to A.R.S. § 15-1642, General Fund monies match financial aid tuition surcharges collected from university students for the Arizona Financial Aid Trust (AFAT). The AFAT fee is 1% of the full-time resident undergraduate base tuition rate, or \$84-\$112 in FY 2023 on the main campuses, depending on the university. All students pay roughly the same fee, except part-time students, who pay half the regular fee.

The FY 2023 Baseline continues to suspend the statutory requirement that the state provide a 2:1 ratio of state funding to student fees in FY 2023. The Baseline also maintains each university's FY 2023 allocation of General Fund AFAT appropriations at their FY 2022 level, which appears in the individual university budgets.

Based on student fees contributed to AFAT in FY 2021, the state's match would be \$45,316,000, or an increase of \$35,274,800 over the \$10,041,200 appropriation in FY 2023.

Each university retains 25% of its annual AFAT student fees and state contributions in an AFAT endowment account. The remaining 75% of the student fees and state contributions, as well as 75% of the endowment's annual interest earnings, are used to provide immediate assistance for needy in-state students.

In addition to student fee revenue, pursuant to A.R.S. § 15-1670, universities deposit 20% of cumulative net income from the sale or transfer of intellectual property exceeding \$1,000,000 to AFAT.

In FY 2021, AFAT disbursed \$28,285,400. *(Please see Table 3 for additional information on financial aid.)*

2003 Research Infrastructure Refinancing

Laws 2003, Chapter 267, which established A.R.S. § 15-1670, appropriated for FY 2008 to FY 2031 monies to the universities each year for lease-purchase capital financing of research infrastructure projects such as installations and facilities for the continuance and growth of scientific and technological research activities. In total, the universities have issued \$482,500,000 in COPs for research infrastructure projects.

Due to subsequent refinancing, the FY 2017 Higher Education BRB amended A.R.S. § 15-1670 to revise the FY 2018 to FY 2031 research infrastructure appropriations to correspond to the universities' current debt service schedules. The appropriations are displayed in each individual university section. *(Please see Table 1 for more information.)*

2017 University Capital Infrastructure Funding

Laws 2017, Chapter 328 established A.R.S. § 15-1671, which provides General Fund appropriations from FY 2019 - FY 2043 for new university research facilities, building renewal, or other capital construction projects. The law appropriated \$27,000,000 to the universities in FY 2019 and increases the appropriation each year thereafter by the lesser of 2.0% or inflation. The appropriations are displayed in each individual university section.

The allocation of the original FY 2019 \$27,000,000 statutory amount was based on each university's share of the systemwide transaction privilege tax (TPT) collections in FY 2016.

Tuition Distribution

A.R.S. § 15-1626 allows the universities to retain a portion of tuition collections for expenditures, as approved by ABOR. These "locally" retained tuition monies are considered non-appropriated and are deposited into accounts labeled as "Designated" funds. Any remaining tuition revenues are deposited to university "Collections" funds as part of the appropriated budget. While Financial Aid and Debt Service are primarily non-appropriated, general operating expenses are paid from both appropriated and non-appropriated tuition accounts.

Table 1**University Research Infrastructure Appropriations ^{1/}**

<u>Fiscal Year</u>	<u>ASU</u>	<u>NAU</u>	<u>UA</u>	<u>Total</u>
2023	13,462,100	5,301,500	14,252,500	33,016,100
2024	13,468,200	5,302,900	14,255,300	33,026,400
2025	13,459,300	4,885,500	14,247,300	32,592,100
2026	13,453,900	4,884,500	14,248,400	32,586,800
2027	13,450,100	4,884,300	14,251,300	32,585,700
2028	13,436,200	4,894,000	14,254,100	32,584,300
2029	13,430,800	4,888,400	14,251,500	32,570,700
2030	13,423,500	4,892,000	14,252,500	32,568,000
2031	13,428,800	4,889,300	14,255,800	32,573,900

^{1/} Research infrastructure General Fund appropriations as specified in A.R.S. § 15-1670, as amended by the FY 2017 Higher Education BRB.

ABOR's June 2021 tuition revenue report projected FY 2022 gross tuition and fees to be \$3.58 billion systemwide.

The reported gross tuition revenues reflect the amounts the universities would receive if all students paid full published tuition and fee rates. The actual amounts paid by students after accounting for tuition waivers and other gift aid awarded by the universities would constitute net tuition. In July 2021, the universities projected \$981.2 million in tuition waivers and awards in FY 2022, for a total net tuition of \$2.59 billion. Please see the July 15, 2021 Joint Legislative Budget Committee agenda for additional information on university tuition revenue projections.

American Rescue Plan Act – Maintenance of Effort

The American Rescue Plan (ARP) Act distributed \$341,098,371 from the Higher Education Emergency Relief Fund to the state's public universities and requires that 50% of the monies received be distributed to students as emergency financial aid grants. ARP also sets FY 2023 maintenance of effort (MOE) requirements for the state's receipt of Federal Funds from the Elementary and Secondary School Emergency Relief Fund (ESSER). Specifically, ARP requires states to maintain a proportional level of higher education support relative to the state's average overall spending for FY 2017, FY 2018, and FY 2019. If the MOE requirement is not met, the U.S. Department of Education states that it may recover the distributed funds or withhold additional distributions. The Executive is ultimately responsible for submitting the calculation to the federal government.

Auditor General Report

In June 2021, the Auditor General published an ABOR performance audit that included recommendations to improve oversight of agreements between the universities and university-affiliated organizations such as their foundations.

Based on findings that the universities lacked current agreements with affiliated organizations and did not consistently document transactions, the audit recommended ABOR revise its policies to require written agreements and documented exchanges between the universities and affiliated organizations, and that the board implement a process for ensuring the universities comply with transparency requirements.

In addition, the audit recommended that ABOR revise its policies to set expectations for information the universities should receive from affiliated organizations and implement a process to regularly obtain information from the universities on the activities of affiliated organizations and associated risks and liabilities.

University System Summary Tables

The University Summary Tables address the following:

- Total Spending Authority
- Financial Aid
- Enrollment

Total Spending Authority

In total, the universities' total projected spending authority in FY 2023 is \$7.8 billion, including \$834.9 million from the General Fund and \$3.58 billion of tuition/fee collections. *Table 2* summarizes the FY 2023

expenditure authority amounts for the Arizona University System.

Financial Aid

The Arizona University System distributed \$3.1 billion in financial aid in FY 2021. Of the total financial aid distributions, the federal government financed \$1.2 billion and university institutional sources provided \$1.3 billion. The latter includes \$1.0 billion of foregone tuition collections in the form of waivers and awards. (Please see Table 3 for details.)

Enrollment

Between fall 2020 and fall 2021, university enrollment increased from 192,079 FTE to 197,120, or 2.6%, as displayed in Table 4. ASU and UA enrollment increased 3.9% and 3.1%, respectively. This growth was largely due to increased enrollment in online programs. NAU enrollment decreased (3.5)%, which included declines across nearly all geographic sites.

Table 2

FY 2023 Summary of Spending Authority

	Appropriated Funds			Non-Appropriated Funds		Total ^{2/}
	General Fund	Collections Fund	Other Funds	Federal Funds	Other Funds ^{1/}	
ABOR	\$ 31,596,900	\$ 0	\$1,537,100	\$ 186,200	\$ 44,542,600	\$ 77,862,800
ASU	363,441,500	597,718,800	0	534,638,800	2,543,695,900	4,039,495,000
NAU	126,552,800	134,983,300	0	136,247,600	353,401,000	751,184,700
UA-Main	236,364,500	304,589,000	0	225,133,800	1,431,692,100	2,197,779,400
UA-HSC	76,897,700	56,363,300	0	191,643,000	373,452,800	698,356,800
Total	\$834,853,400	\$1,093,654,400	\$1,537,100	\$1,087,849,400	\$4,746,784,400	\$7,764,678,700

^{1/} Expenditures of non-appropriated funds include transfers of funds to non-operating accounts for capital and debt service expenses. The total expenditures of gross non-appropriated tuition are estimated to be \$2,486,230,900 based on FY 2022 amounts. This amount excludes FY 2023 enrollment growth and tuition rate changes.

^{2/} Total universitywide funding includes gross tuition revenues.

Table 3

FY 2021 Financial Aid Distribution by Source
(**\$ in Thousands**) ^{1/}

	Federal	State ^{2/}	Institutional ^{3/}	Private/Other ^{4/}	Total
Grants	\$369,431.2	15,060.0	\$1,037,767.1	\$265,287.3	\$1,687,545.6
Loans	856,085.9	166.9	0.0	339,589.4	1,195,842.2
Employment	13,940.2	0.0	210,311.2	0.0	224,251.4
Total	\$1,239,457.3	\$15,226.9	\$1,248,078.3	\$604,876.7	\$3,107,639.2

^{1/} Information from ABOR FY 2021 Financial Aid Report.

^{2/} State sources of aid include revenues from the Commission for Postsecondary Education.

^{3/} Institutional sources of aid include revenues from: Local Retention, the Collegiate License Plate Fund, Foundation funds, and Financial Aid Carry Forward from previous years.

^{4/} Private/Other sources of aid include AFAT, which is a combination of both state and institutional sources of aid.

Table 4
Arizona University System 45th Day Enrollment ^{1/}

	<u>Fall 2020</u>	<u>Fall 2021</u>	<u>Fall 2020 to Fall 2021</u>
ASU-Tempe	55,804	57,835	3.6%
ASU-DPC	12,414	12,765	2.8%
ASU-East	5,227	5,497	5.2%
ASU-West	5,716	5,477	(4.2)%
ASU-Online ^{2/}	37,796	39,929	5.6%
ASU-Other	<u>535</u>	<u>575</u>	<u>7.5%</u>
<i>Subtotal</i>	<i>117,492</i>	<i>122,078</i>	<i>3.9%</i>
NAU-Flagstaff	21,610	21,028	(2.7)%
NAU-Online ^{2/}	3,213	2,973	(7.5)%
NAU-Other	<u>3,162</u>	<u>2,995</u>	<u>(5.3)%</u>
<i>Subtotal</i>	<i>27,985</i>	<i>26,996</i>	<i>(3.5)%</i>
UA-Tucson	40,034	40,579	1.4%
UA-PHX Biomedical	1,239	1,418	14.4%
UA-Online ^{2/}	4,176	4,847	16.1%
UA-Other	<u>1,153</u>	<u>1,202</u>	<u>4.2%</u>
<i>Subtotal</i>	<i>46,602</i>	<i>48,046</i>	<i>3.1%</i>
Total	192,079	197,120	2.6%

^{1/} FTE counts as reported by ABOR and the universities include both graduate and undergraduate students.
^{2/} Online enrollment represents students enrolled in online-only programs.

SUMMARY OF FUNDS	FY 2021 Actual	FY 2022 Estimate
Arizona Health Education Center Program Fund (BRA2/A.R.S. § 5-572)		Non-Appropriated
Source of Revenue: Lottery proceeds.		
Purpose of Fund: To provide funding for the 5 Arizona Area Health Education Centers, which work to improve healthcare access for rural and underserved communities. These funds are passed through to the universities, and therefore expenditures are not displayed to avoid double counting.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Arizona Promise Program Fund (BRA9999/A.R.S. § 15-1701)		Non-Appropriated
Source of Revenue: Legislative appropriations.		
Purpose of Fund: To reimburse postsecondary institutions for Arizona Promise Program awards, pay the costs of administering the program, and for marketing and promotion expenses (which are capped at 3% of monies in the fund each fiscal year). Expenditures are not displayed to avoid double counting with the General Fund.		
Funds Expended	0	0
Year-End Fund Balance	0	0

SUMMARY OF FUNDS	FY 2021 Actual	FY 2022 Estimate
Arizona Teacher Student Loan Program Fund (BRA2358/A.R.S. § 15-1784)		Non-Appropriated
Source of Revenue: Legislative appropriations and repayments of principal and interest of issued loans.		
Purpose of Fund: To provide up to 5-year loans to eligible in-state students pursuing a teaching degree or certificate in mathematics, science, and special education at a private school or university and who agree to a service commitment to teach in a public school. General Fund expenditures are not displayed to avoid double counting. Laws 2021, Chapter 410 transfers administration of this fund from the Commission for Postsecondary Education to the Arizona Board of Regents, effective January 1, 2022.		
Funds Expended	0	0
Year-End Fund Balance	0	905,300
Arizona Teachers Academy Fund (BRA9900/A.R.S. § 15-1655)		Non-Appropriated
Source of Revenue: Legislative appropriations.		
Purpose of Fund: To reimburse postsecondary institutions for Arizona Teachers Academy scholarships, induction services for academy graduates, and marketing and promotion costs of the academy (which are capped at 3% of monies in the fund each fiscal year). Amounts appropriated from the General Fund are not displayed to avoid double counting of expenditures.		
Funds Expended	0	0
Year-End Fund Balance	15,048,000	850,800
Federal Funds (BRA2000/A.R.S. § 15-1666)		Non-Appropriated
Source of Revenue: Grants from the United States Department of Education.		
Purpose of Fund: To support services in accordance with the terms of each specific grant.		
Funds Expended	0	0
Year-End Fund Balance	0	96,800
Postsecondary Education Fund (BRA2405/A.R.S. § 15-1853)		Appropriated
Source of Revenue: Monies appropriated by the Legislature and monies received from state agencies and political subdivisions of the state.		
Purpose of Fund: For designated purposes. Laws 2021, Chapter 410 transfers administration of this fund from the Commission for Postsecondary Education to the Arizona Board of Regents, effective January 1, 2022.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Private Donations Fund (BRA2402/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Monies received from private gifts, grants and donations.		
Purpose of Fund: Monies are used in accordance with the requests of the donor.		
Funds Expended	0	0
Year-End Fund Balance	0	90,600
Regents Local Fund (BRA1/A.R.S. § 15-1626)		Non-Appropriated
Source of Revenue: Contributions of retained monies from the 3 universities.		
Purpose of Fund: To supplement the ABOR operating budget.		
Funds Expended	5,290,600	6,781,400
Year-End Fund Balance	27,256,600	15,465,800

SUMMARY OF FUNDS	FY 2021 Actual	FY 2022 Estimate
Technology and Research Initiative Fund (BRA2472/A.R.S. § 15-1648)		Non-Appropriated
Source of Revenue: A portion of the 0.6% education sales tax allocated pursuant to A.R.S. § 42-5029 and § 42-5029.02. The education sales tax established by Laws 2018, Chapter 74 replaced the Proposition 301 sales tax beginning in FY 2022.		
Purpose of Fund: To provide grants for university technology and research initiatives, with preference given to federal or private partnerships, as well as to programs for non-traditional students; also, for up to 20% of fund monies, to support capital projects, including debt service, relating to technology and research. The displayed expenditures represent only that portion of tax receipts utilized by ABOR. The board transfers all other receipts to university Restricted Funds, which reflect those monies.		
Funds Expended	4,928,500	37,761,200
Year-End Fund Balance	0	0
Trust Land Fund (BRA3131/3132/3134/3136/A.R.S. § 15-1662)		Non-Appropriated
Source of Revenue: Monies derived from the lease, sale, or other disposition of lands granted to the state by the United States for the use and benefit of the universities. Land funds are allocated for Agricultural and Mechanical Colleges, Military Institutes, Universities, and Normal Schools, respectively.		
Purpose of Fund: To operate agricultural and mechanical colleges, to support university Reserve Officers' Training Corps programs, to match private funds attracting distinguished faculty, and to operate teacher training programs, respectively. These funds are passed through to the universities, and therefore expenditures are not displayed to avoid double counting.		
Funds Expended	0	0
Year-End Fund Balance	0	0