

# Arizona Board of Regents

	FY 2022 ACTUAL	FY 2023 ESTIMATE	FY 2024 BASELINE
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	25.9	30.9	30.9
Personal Services	1,376,500	1,456,700	1,456,700
Employee Related Expenditures	632,000	485,100	485,100
Professional and Outside Services	49,500	51,000	51,000
Other Operating Expenditures	362,500	502,700	502,700
Equipment	800	1,000	1,000
<b>OPERATING SUBTOTAL</b>	<b>2,421,300</b>	<b>2,496,500</b>	<b>2,496,500</b>
<b>SPECIAL LINE ITEMS</b>			
Commission for Postsecondary Education	92,800	0	0 <sup>1/</sup>
Adaptive Athletics	160,000	160,000	160,000 <sup>2/</sup>
Camp Verde Meat Processing Facility	0	9,700,000	0
Enclosed Feed Facility	0	9,500,000	0
Food Product and Safety Laboratory	0	10,900,000	0
Arizona Promise Program	7,306,500	20,000,000	20,000,000
Spouses of Military Veterans Tuition Scholarships	0	10,000,000	10,000,000
Arizona Teachers Academy	15,000,000	15,000,000	15,000,000
Arizona Teachers Incentive Program	90,000	90,000	90,000
Arizona Teacher Student Loan Program	426,000	426,000	426,000 <sup>1/</sup>
Arizona Transfer Articulation Support System	213,700	213,700	213,700
Leveraging Education Assistance Partnership Program	2,319,500	1,220,800	1,220,800 <sup>1/3/</sup>
Veterinary Loan Assistance Program	0	6,000,000	0
Washington D.C. Internships	300,000	300,000	300,000 <sup>4/</sup>
Western Interstate Commission Office	153,000	153,000	153,000
WICHE Student Subsidies	4,078,000	4,078,000	4,078,000
<b>AGENCY TOTAL</b>	<b>32,560,800</b>	<b>90,238,000</b>	<b>54,138,000 <sup>5/6/</sup></b>
<b>FUND SOURCES</b>			
General Fund	31,403,300	90,238,000	54,138,000
<u>Other Appropriated Funds</u>			
Postsecondary Education Fund	1,157,500	0	0
SUBTOTAL - Other Appropriated Funds	1,157,500	0	0
<b>SUBTOTAL - Appropriated Funds</b>	<b>32,560,800</b>	<b>90,238,000</b>	<b>54,138,000</b>
Other Non-Appropriated Funds	12,803,600	54,245,300	54,245,300
Federal Funds	158,900	332,100	332,100
<b>TOTAL - ALL SOURCES</b>	<b>45,523,300</b>	<b>144,815,400</b>	<b>108,715,400</b>

**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

- <sup>1/</sup> Laws 2021, Chapter 410 transferred the responsibilities of the Commission for Postsecondary Education to the Arizona Board of Regents (ABOR) effective January 1, 2022. The FY 2022 General Appropriation Act provided a full year's spending to the commission. On the effective date, a portion of this funding became available to ABOR to continue administering the commission's programs. As a result, the FY 2022 column includes actual expenditures for the commission's programs.
- <sup>2/</sup> 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)

- 3/ In order to be eligible to receive state matching monies under the leveraging educational assistance partnership program 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 program. 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 2023-2024. (General Appropriation Act footnote)
- 4/ 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 for the purpose of providing student internships in Washington, D.C. in partnership with a third-party organization. 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. Have the ability to place as many students in internships as needed by the universities.
  - 3. Have experience placing students in internships for at least ten consecutive years.
  - 4. Have dedicated staff to ensure that student interns have access to internships in their areas of interest. (General Appropriation Act footnote)
- 5/ 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)
- 6/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

**Operating Budget**

The Baseline includes \$2,496,500 and 30.9 FTE Positions from the General Fund in FY 2024 for the operating budget. These amounts are unchanged from FY 2023.

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 2024 for Adaptive Athletics. This amount is unchanged from FY 2023.

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 distributes monies in this line item to the University of Arizona.

**Camp Verde Meat Processing Facility**

The Baseline includes no funding in FY 2024 for a Camp Verde Meat Processing Facility. Adjustments are as follows:

**Remove One-Time Funding**

The Baseline includes a decrease of \$(9,700,000) from the General Fund in FY 2024 to remove one-time funding for a meat processing facility and truck handling facilities in Camp Verde. The FY 2023 budget required ABOR to distribute the monies to UA for distribution to an entity to construct and operate the facilities. The entity receiving

the monies is required to provide an education component as part of its operations. The FY 2023 budget also stipulates that if the entity sells the facility, the proceeds from the sale shall be transferred to the state for deposit to the General Fund. The monies were appropriated one-time and may not be used for administrative costs.

#### **Enclosed Feeding Facility**

The Baseline includes no funding in FY 2024 for an Enclosed Feeding Facility. Adjustments are as follows:

##### **Remove One-Time Funding**

The Baseline includes a decrease of \$(9,500,000) from the General Fund in FY 2024 for an Enclosed Feeding Facility. The FY 2023 budget required ABOR to distribute the monies to UA to construct the facility at the campus agricultural center. The monies were appropriated one-time and may not be used for administrative costs.

#### **Food Product and Safety Laboratory**

The Baseline includes no funding in FY 2024 for a Food Product and Safety Laboratory. Adjustments are as follows:

##### **Remove One-Time Funding**

The Baseline includes a decrease of \$(10,900,000) from the General Fund in FY 2024 for the Food Product and Safety Lab located on the UA campus agricultural center. The FY 2023 budget required ABOR to distribute the monies to UA for capital improvements. The monies were appropriated one-time and may not be used for administrative costs.

#### **Arizona Promise Program**

The Baseline includes \$20,000,000 from the General Fund in FY 2024 for the Arizona Promise Program. This amount is unchanged from FY 2023.

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.

In FY 2022, this program served 1,677 students.

#### **Spouses of Military Veterans Tuition Scholarships**

The Baseline includes \$10,000,000 from the General Fund in FY 2024 for Spouses of Military Veterans Tuition Scholarships. This amount is unchanged from FY 2023.

ABOR deposits monies in this item to the Spouses of Military Veterans Tuition Scholarship Fund and distributes awards to university and community college students who are spouses of an honorably discharged veteran, qualify for in-state tuition, and currently an Arizona resident. The scholarships are provided as last dollar aid on a first-come, first-served basis for up to 4 years.

#### **Arizona Teachers Academy**

The Baseline includes \$15,000,000 from the General Fund in FY 2024 for the Arizona Teachers Academy. This amount is unchanged from FY 2023.

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.

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.

In FY 2022, 3,494 students were enrolled in the academy, of which 1,515 attended ASU, 1,014 attended NAU, 368 attend UA, 413 were community college post-baccalaureate students, 184 were teachers seeking a national board certification.

#### **Arizona Teachers Incentive Program**

The Baseline includes \$90,000 from the General Fund in FY 2024 for the Arizona Teachers Incentive Program (ATIP). This amount is unchanged from FY 2023.

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 2024 for the Arizona Teacher Student Loan Program (ATSLP). This amount is unchanged from FY 2023.

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 2024 for the Arizona Transfer Articulation Support System (ATASS). This amount is unchanged from FY 2023.

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 Program**

The Baseline includes an increase of \$1,220,800 from the General Fund in FY 2024 for the Leveraging Education Assistance Partnership (LEAP) Program. This amount is unchanged from FY 2023.

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).

### **Veterinary Loan Assistance Program**

The Baseline includes no funding in FY 2024 for the Veterinary Loan Assistance Program. Adjustments are as follows:

#### **Remove One-Time Funding**

The Baseline includes a decrease of \$(6,000,000) from the General Fund in FY 2024 to remove a one-time deposit to the newly-created Arizona Veterinary Loan Assistance

Program Fund. ABOR is required to distribute monies in the fund to applicants who graduated with a veterinary medicine degree after January 1, 2023 for loan repayment assistance. To qualify for an award, recipients agree to work as a full-time veterinarian in Arizona for at least 4 years. For at least 2 of the 4 years, recipients must work in an agricultural practice in an area designated by the U.S. Department of Agriculture as having a shortage or in a nonprofit, county or municipal shelter. Once the service commitment is complete, ABOR distributes an amount equal to the veterinarian's outstanding loan balance or \$100,000, whichever is less. Monies are distributed on a first-come, first-served basis.

### **Washington, D.C. Internships**

The Baseline includes \$300,000 from the General Fund in FY 2024 for Washington, D.C. Internships. This amount is unchanged from FY 2023.

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 2024 for the Western Interstate Commission Office. This amount is unchanged from FY 2023.

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 2024 for WICHE student subsidies. This amount is unchanged from FY 2023.

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.

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### **Other Issues**

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This section includes information on the following topics:

- Statutory Changes
- Long-Term Budget Impacts
- Arizona Financial Aid Trust
- 2003 Research Infrastructure Refinancing
- 2017 University Capital Infrastructure Funding
- Tuition Distribution
- 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 \$156,100 in FY 2025 above FY 2024, and decrease by \$(45,403,200) in FY 2026 below FY 2025. These estimates are based on:

- Decreases of \$(434,300) and \$(5,300) in FY 2025 and FY 2026, respectively, to adjust for university debt service costs. *(Please see the 2003 Research Infrastructure Refinancing narrative for more information.)*
- Increases of \$590,400 and \$602,100 in FY 2025 and FY 2026, respectively, to increase the universities' annual Capital Infrastructure Funding appropriation. *(Please see the 2017 University Infrastructure Funding section for more information.)*
- A decrease of \$(46,000,000) in FY 2026 to remove this level of one-time operating funding in the 3-year spending plan for FY 2023, FY 2024 and FY 2025.

### **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 2024 Baseline continues to suspend the statutory requirement that the state provide a 2:1 ratio of state funding to student fees in FY 2024. The Baseline also maintains each university's FY 2024 allocation of General Fund AFAT appropriations at their FY 2023 level, which appears in the individual university budgets.

Based on student fees contributed to AFAT in FY 2022, the state's match would be \$46,758,100, or an increase of \$36,716,900 over the \$10,041,200 appropriation in FY 2024.

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. ABOR's June 2022 tuition revenue report projected FY 2023 gross tuition and fees to be \$3.91 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 June 2022, the universities projected \$1.04 billion in tuition waivers and awards in FY 2023, for a total net tuition of \$2.87 billion. Please see the July 14, 2022 Joint Legislative Budget Committee meeting agenda for additional information on university tuition revenue projections.

**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 2024 is \$8.2 billion, including \$973.7 million from the General Fund and \$2.87 billion of net tuition/fee collections. Table 2 summarizes the FY 2024 expenditure authority amounts for the Arizona University System.

Financial Aid

The Arizona University System distributed \$3.5 billion in financial aid in FY 2022. Of the total financial aid distributions, the federal government financed \$1.2 billion and university institutional sources provided \$1.6 billion. The latter includes \$1.3 billion of foregone tuition collections in the form of waivers and awards. (Please see Table 3 for details.)

Enrollment

Between fall 2021 and fall 2022, university enrollment increased from 197,120 FTE to 203,640, or 3.3%, as displayed in Table 4. ASU and UA enrollment increased 4.5% and 2.5%, respectively. This growth was largely due to increased enrollment in online programs. NAU enrollment decreased (0.7)%, which included declines across nearly all geographic sites.

<b>Fiscal Year</b>	<b>ASU</b>	<b>NAU</b>	<b>UA</b>	<b>Total</b>
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

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

**Table 2**

**FY 2024 Summary of Spending Authority**

	Appropriated Funds		Non-Appropriated Funds		Total <sup>2/</sup>
	General Fund	Collections Fund <sup>1/</sup>	Federal Funds	Other Funds <sup>1/</sup>	
ABOR	\$ 54,138,000	\$ 0	\$ 332,100	\$ 54,245,300	\$ 108,715,400
ASU	411,306,500	706,031,800	578,074,500	2,540,209,700	4,235,622,500
NAU	138,249,800	130,397,300	149,469,900	385,410,400	803,527,400
UA-Main	293,202,000	382,811,300	247,619,500	1,457,122,800	2,380,755,600
UA-Health Sciences	<u>76,897,700</u>	<u>66,675,300</u>	<u>186,125,700</u>	<u>355,261,500</u>	<u>684,960,200</u>
<b>Total</b>	<b>\$973,794,000</b>	<b>\$1,285,915,700</b>	<b>\$1,161,621,700</b>	<b>\$4,792,249,700</b>	<b>\$8,213,581,100</b>

<sup>1/</sup> 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 \$2,628,626,600 based on FY 2023 amounts. This amount excludes FY 2024 enrollment growth and tuition rate changes.

<sup>2/</sup> Total universitywide funding includes gross tuition revenues.

**Table 3**

**FY 2022 Financial Aid Distribution by Source  
(\$ in Thousands)<sup>1/</sup>**

	Federal	State <sup>2/</sup>	Institutional <sup>3/</sup>	Private/Other	Total
Grants	\$391,864.7	\$10,669.7	\$1,343,627.4	\$291,845.8	\$2,038,007.6
Loans	817,702.5	58.5	0.0	350,057.2	1,167,818.2
Employment	<u>14,369.2</u>	<u>0.0</u>	<u>234,618.4</u>	<u>0.0</u>	<u>248,987.6</u>
<b>Total</b>	<b>\$1,223,936.4</b>	<b>\$10,728.2</b>	<b>\$1,578,245.8</b>	<b>\$641,903.0</b>	<b>\$3,454,813.4</b>

<sup>1/</sup> Information from ABOR FY 2022 Financial Aid Report.

<sup>2/</sup> State sources of aid include revenues from the Commission for Postsecondary Education.

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

	<u>Fall 2021</u>	<u>Fall 2022</u>	<u>Fall 2021 to Fall 2022</u>
ASU-Tempe	57,835	60,551	4.7%
ASU-DPC	12,765	12,167	(4.7)%
ASU-East	5,497	5,725	4.1%
ASU-West	5,477	5,244	(4.3)%
ASU-Online <sup>2/</sup>	39,929	43,304	8.5%
ASU-Other	<u>575</u>	<u>612</u>	<u>6.4%</u>
<i>Subtotal</i>	<i>122,078</i>	<i>127,603</i>	<i>4.5%</i>
NAU-Flagstaff	21,028	21,250	1.1%
NAU-Online <sup>2/</sup>	2,973	2,629	(11.6)%
NAU-Other	<u>2,995</u>	<u>2,916</u>	<u>(2.6)%</u>
<i>Subtotal</i>	<i>26,996</i>	<i>26,795</i>	<i>(0.7)%</i>
UA-Tucson	40,579	41,310	1.8%
UA-PHX Biomedical	1,418	1,485	4.7%
UA-Online <sup>2/</sup>	4,847	5,349	10.4%
UA-Other	<u>1,202</u>	<u>1,098</u>	<u>(8.7)%</u>
<i>Subtotal</i>	<i>48,046</i>	<i>49,242</i>	<i>2.5%</i>
<b>Total</b>	<b>197,120</b>	<b>203,640</b>	<b>3.3%</b>

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

<b>SUMMARY OF FUNDS</b>	<b>FY 2022 Actual</b>	<b>FY 2023 Estimate</b>
<b>Arizona Health Education Center Program Fund (BRA2/A.R.S. § 5-572)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Lottery proceeds.		
<b>Purpose of Fund:</b> 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.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Arizona Promise Program Fund (BRA4501/A.R.S. § 15-1701)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations.		
<b>Purpose of Fund:</b> 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.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Arizona Teacher Student Loan Fund (BRA2358/A.R.S. § 15-1657)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations and repayments of principal and interest of issued loans.		
<b>Purpose of Fund:</b> To provide forgivable loans to students enrolled in a private postsecondary institution who are pursuing a teaching degree or certificate who agree to a service commitment . Amounts appropriated from the General Fund are not displayed to avoid double counting of expenditures.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	1,099,600	597,600

SUMMARY OF FUNDS	FY 2022 Actual	FY 2023 Estimate
<b>Arizona Teachers Academy Fund (BRA4300/A.R.S. § 15-1655)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations.		
<b>Purpose of Fund:</b> 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.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	8,932,700	3,700,700
<b>Arizona Veterinary Loan Assistance Fund (BRA5000/A.R.S. § 1650.06)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations.		
<b>Purpose of Fund:</b> To provide loan repayment assistance to veterinarians who complete a service requirement. Up to 3% of monies in the fund may be used for program administration costs. Amounts appropriated from the General Fund are not displayed to avoid double counting of expenditures.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	6,000,000
<b>Federal Funds (BRA2000/A.R.S. § 15-1666)</b>		<b>Federal Funds</b>
<b>Source of Revenue:</b> Grants from the United States Department of Education.		
<b>Purpose of Fund:</b> To support services in accordance with the terms of each specific grant.		
<b>Funds Expended</b>	158,900	332,100
<b>Year-End Fund Balance</b>	57,400	0
<b>Postsecondary Education Fund (BRA2405/A.R.S. § 15-1853 [REPEALED])</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Monies appropriated by the Legislature and monies received from state agencies and political subdivisions of the state.		
<b>Purpose of Fund:</b> For designated purposes. Laws 2022, Chapter 421 repealed this fund effective December 31, 2021 and transferred the remaining balance to the non-appropriated Postsecondary Educational Fund.		
<b>Funds Expended</b>	1,157,500	0
<b>Year-End Fund Balance</b>	0	0
<b>Postsecondary Educational Fund (BRA2405/A.R.S. § 15-1704)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations, monies received from state agencies, political subdivisions, the federal government, and postsecondary institutions, and private gifts, grants, and donations.		
<b>Purpose of Fund:</b> To provide matching monies for the Leveraging Educational Assistance Program (LEAP) and for administrative expenses.		
<b>Funds Expended</b>	0	1,298,300
<b>Year-End Fund Balance</b>	263,000	272,600
<b>Private Donations Fund (BRA2402/A.R.S. § 35-142)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Monies received from private gifts, grants and donations.		
<b>Purpose of Fund:</b> Monies are used in accordance with the requests of the donor.		
<b>Funds Expended</b>	16,100	0
<b>Year-End Fund Balance</b>	0	0
<b>Regents Local Fund (BRA8900/A.R.S. § 15-1626)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Contributions of retained monies from the 3 universities.		
<b>Purpose of Fund:</b> To supplement the ABOR operating budget.		
<b>Funds Expended</b>	1,993,600	6,693,000
<b>Year-End Fund Balance</b>	6,052,700	4,767,900

SUMMARY OF FUNDS	FY 2022 Actual	FY 2023 Estimate
<b>Spouses of Military Veterans Tuition Scholarship Fund (BRA5100/A.R.S. § 15-1809)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations.		
<b>Purpose of Fund:</b> To distribute scholarships to spouses of military veterans who meet certain requirements. Amounts appropriated from the General Fund are not displayed to avoid double counting of expenditures.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Technology and Research Initiative Fund (BRA2472/A.R.S. § 15-1648)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> 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.		
<b>Purpose of Fund:</b> 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.		
<b>Funds Expended</b>	10,793,900	46,254,000
<b>Year-End Fund Balance</b>	0	0
<b>Trust Land Fund (BRA3131/3132/3134/3136/A.R.S. § 15-1662)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> 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.		
<b>Purpose of Fund:</b> 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.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0