

University of Arizona - Health Sciences Center

	FY 2022 ACTUAL	FY 2023 ESTIMATE	FY 2024 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	1,268.7	1,112.4	1,112.4 ^{1/}
Personal Services	55,406,000	61,469,100	61,469,100
Employee Related Expenditures	17,261,400	19,232,200	19,232,200
Professional and Outside Services	751,700	2,431,600	2,431,600
Travel - In State	19,900	37,700	37,700
Travel - Out of State	65,200	67,200	67,200
Other Operating Expenditures	14,746,600	16,889,600	16,889,600
Equipment	91,700	0	0
OPERATING SUBTOTAL	88,342,500	100,127,400	100,127,400 ^{2/}
SPECIAL LINE ITEMS			
Clinical Rural Rotation	353,600	353,600	353,600
Clinical Teaching Support	8,587,000	8,587,000	8,587,000
Liver Research Institute	440,400	440,400	440,400
Phoenix Medical Campus	41,728,700	32,394,600	32,394,600
Telemedicine Network	1,670,000	1,670,000	1,670,000
AGENCY TOTAL	141,122,200	143,573,000	143,573,000 ^{3/4/}
FUND SOURCES			
General Fund	76,897,700	76,897,700	76,897,700 ^{5/6/}
<u>Other Appropriated Funds</u>			
University Collections Fund	64,224,500	66,675,300	66,675,300 ^{7/}
SUBTOTAL - Other Appropriated Funds	64,224,500	66,675,300	66,675,300
SUBTOTAL - Appropriated Funds	141,122,200	143,573,000	143,573,000
Other Non-Appropriated Funds	331,870,200	355,261,500	355,261,500
Federal Funds	178,966,900	186,125,700	186,125,700
TOTAL - ALL SOURCES	651,959,300	684,960,200	684,960,200

AGENCY DESCRIPTION — The University of Arizona's Health Sciences Center (UA-HSC) includes its Colleges of Medicine Tucson and Phoenix, Nursing, Pharmacy, and Public Health. UA-HSC also currently operates a medical campus in Phoenix that opened in FY 2006.

FOOTNOTES

- ^{1/} Includes 204.7 GF and 69.8 OF FTE Positions funded from Special Line Items in FY 2024.
- ^{2/} The legislature intends that \$8,000,000 of the amount appropriated to the health sciences center operating lump sum appropriation line item be used to expand the college of medicine Phoenix campus and to develop and administer a primary care physician scholarship program at the college of medicine Phoenix campus and the college of medicine Tucson campus. The legislature intends that the \$8,000,000 not be annualized in future years. (General Appropriation Act footnote)
- ^{3/} Other than scholarships awarded through the Arizona financial aid trust, the appropriated monies may not be used for scholarships or any student newspaper. (General Appropriation Act footnote)
- ^{4/} General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.
- ^{5/} The state general fund appropriation may not be used for alumni association funding. (General Appropriation Act footnote)
- ^{6/} The increased state general fund appropriation from Laws 2014, chapter 18 may not be used for medical marijuana research. (General Appropriation Act footnote)
- ^{7/} Any unencumbered balances remaining in the university collections fund on June 30, 2023 and all collections received by the university during the fiscal year are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with

the enabling act and the Constitution of Arizona. No part of this appropriation may be spent for supplemental life insurance or supplemental retirement. (General Appropriation Act footnote)

Operating Budget

The Baseline includes \$100,127,400 and 837.9 FTE Positions in FY 2024 for the operating budget. These amounts consist of:

	FY 2024
General Fund	\$42,576,900
University Collections Fund	57,550,500

These amounts are unchanged from FY 2023.

Student enrollment counts and tuition and fee levels for students will determine the amount of university tuition and fee collections. The University Collections Fund amount will ultimately be adjusted to reflect these revenue amounts. *(Please see the UA-HSC Other Issues Section and ABOR for more information.)*

Clinical Rural Rotation

The Baseline includes \$353,600 and 5.2 FTE Positions from the General Fund in FY 2024 for the Clinical Rural Rotation program. These amounts are unchanged from FY 2023.

This line item funds the Rural Health Professions Program, which enables nurse practitioner, medical, and pharmacy students to plan and complete clinical practice rotations in rural and medically under-served sites throughout the state.

Clinical Teaching Support

The Baseline includes \$8,587,000 from the General Fund in FY 2024 for Clinical Teaching Support. These amounts are unchanged from FY 2023.

Clinical Teaching Support provides hospital training, through internships and residencies, for medical, nursing, clinical, and other health students in a wide variety of specialty areas. Students fill all the above-mentioned FTE Positions.

Liver Research Institute

The Baseline includes \$440,400 and 6.5 FTE Positions from the General Fund in FY 2024 for the Liver Research Institute. These amounts are unchanged from FY 2023.

The Liver Research Institute conducts clinical studies on all liver diseases, focusing on chemical and natural agents that may offer a cure for such ailments. The line item also supports a research development program that actively pursues outside grants and donations.

Phoenix Medical Campus

The Baseline includes \$32,394,600 and 247.9 FTE Positions in FY 2024 for the Phoenix Medical Campus (PMC). These amounts consist of:

General Fund	23,269,800
University Collections Fund	9,124,800

These amounts are unchanged from FY 2023.

Telemedicine Network

The Baseline includes \$1,670,000 and 14.9 FTE Positions from the General Fund in FY 2024 for the Telemedicine Network. These amounts are unchanged from FY 2023.

Telemedicine is the use of computers, video imaging, broadband Internet, and other telecommunication technologies to diagnose and treat patients in rural communities.

Other Issues

University Collections and FTE Positions Adjustments

Including statewide adjustments, the FY 2023 General Appropriation Act appropriated \$56,363,300 from the University Collections Fund to UA - HSC. The Collections Fund for UA - HSC represents a portion of tuition, fees and a portion of land earnings. *(Please see ABOR Other Issues for more information.)* If collections differ from the appropriated amount, the annual General Appropriation Act includes a footnote permitting the universities to expend those amounts as well as a separate footnote requiring the submission of a report detailing any adjustments to the appropriated amounts.

ABOR sets tuition independent of the legislative process. Any revised tuition rates as well as changes in enrollment can result in collections exceeding (or being below) the appropriated amount. The Universities reported the adjustments to the University Collections Fund for FY

2023 to the Joint Legislative Budget Committee in June 2022, and UA incorporated the adjusted FY 2023 amounts as part of their FY 2024 budget submission. Accordingly, the estimated FY 2023 amount has been adjusted by \$10,312,000 to \$66,375,300.

The FY 2023 FTE Position count has also been adjusted. The FY 2023 General Appropriations Act originally appropriated 1,268.7 FTE Positions in FY 2023 for the UA -

HSC. The General Fund accounted for 785.7 FTE Positions and the University Collections Fund accounted for the remaining 483 FTE Positions. The estimated number of FY 2023 FTE Positions has been adjusted by (156.3) to 1,112.4 . The General Fund accounts for 561 FTE Positions and the University Collections Fund accounts for the remaining 551.4 FTE Positions.

SUMMARY OF FUNDS	FY 2022 Actual	FY 2023 Estimate
Auxiliary Fund (UNI8906/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Sales revenues of substantially self-supporting university services.		
Purpose of Fund: To provide university-related non-academic services for students, faculty, staff, and the public. Auxiliary enterprises include student housing, bookstores, student unions, and intercollegiate athletics.		
Funds Expended	843,200	860,000
Year-End Fund Balance	549,400	682,300
Designated Fund - Other (UNI8905/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Retained summer session fees, student aid administrative allowances, and unrestricted gifts and grants.		
Purpose of Fund: To provide and administer student financial aid, to pay debt service on university bonds, and to run summer and winter session programs.		
Funds Expended	232,840,500	242,153,800
Year-End Fund Balance	133,668,900	168,723,800
Designated Fund - Tuition and Fees (UNI8905/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Retained tuition and fees.		
Purpose of Fund: To provide and administer student financial aid, to pay debt service on university bonds, and to run summer and winter session programs. Please see the University Collections Fund for more information on Appropriated tuition expenditures.		
Funds Expended	11,894,700	19,071,300
Year-End Fund Balance	23,199,300	26,078,500
Endowment and Life Income Fund (UNI8904/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Interest income on invested endowment and life income gifts, a portion of financial aid trust fees assessed to students, and a portion of university trust land earnings.		
Purpose of Fund: To support endowment operations and compensate designated beneficiaries.		
Funds Expended	18,914,800	19,103,900
Year-End Fund Balance	160,994,600	163,500,700
Federal Grants (UNI8903/A.R.S. § 15-1666)		Federal Funds
Source of Revenue: Federal grants and contracts.		
Purpose of Fund: To support specific operating and research purposes as identified by the federal government.		
Funds Expended	132,857,400	138,171,700
Year-End Fund Balance	33,611,100	32,493,500
Federal Indirect Cost Recovery Fund (UNI8902/A.R.S. § 15-1601)		Federal Funds
Source of Revenue: Federally-sponsored research programs.		
Purpose of Fund: To assist and promote federally-sponsored research.		
Funds Expended	46,109,500	47,954,000
Year-End Fund Balance	0	0

SUMMARY OF FUNDS	FY 2022 Actual	FY 2023 Estimate
Indirect Cost Recovery Fund (Non-Federal) (UNI8900/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Non-federally-sponsored research programs.		
Purpose of Fund: To assist and promote non-federally-sponsored research.		
Funds Expended	6,255,700	6,505,900
Year-End Fund Balance	0	0
Loan Fund (UNI8901/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Federal student loan program awards and interest collected on outstanding federal student loans.		
Purpose of Fund: To disburse awards from federal student loan programs, including any university match required, and to fund the costs of repayment programs. Expenditures displayed reflect costs of loan program administration and do not include awards to students.		
Funds Expended	0	0
Year-End Fund Balance	6,520,800	647,800
Restricted Fund (Excluding Federal Funds) (UNI8907/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Private and non-federal grants, including non-appropriated Technology and Research Initiative Fund grants (please see the ABOR Summary of Funds), as well as a portion of financial aid trust fees assessed to students.		
Purpose of Fund: To support specific operating and research purposes as identified by the private or non-federal donating entities.		
Funds Expended	61,121,300	67,566,600
Year-End Fund Balance	53,601,900	57,471,300
University Collections Fund (UAA1403/A.R.S. § 15-1626)		Appropriated
Source of Revenue: Tuition and registration fees.		
Purpose of Fund: To operate the university. Please see the Designated Fund - Tuition and Fees for more information on Non-Appropriated tuition expenditures.		
Funds Expended	64,224,500	66,675,300
Year-End Fund Balance	0	0