

University of Arizona - Main Campus

	FY 2024 ACTUAL	FY 2025 ESTIMATE	FY 2026 APPROVED
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	6,076.7	6,162.8	6,162.8
Personal Services	385,935,700	334,716,900	334,716,900
Employee Related Expenditures	128,883,500	107,770,100	107,777,200
Professional and Outside Services	24,746,700	24,725,300	24,725,300
Travel - In State	274,200	263,800	263,800
Travel - Out of State	1,167,700	643,000	643,000
Other Operating Expenditures	52,058,400	67,904,900	57,824,700
Equipment	3,773,900	1,022,100	1,022,100
OPERATING SUBTOTAL	596,840,100	537,046,100	526,973,000 ^{1/2/}
SPECIAL LINE ITEMS			
2003 Research Infrastructure Lease-Purchase Payment	14,255,300	14,247,300	14,248,400 ^{3/}
2017 Capital Infrastructure Funding	11,535,900	11,766,600	12,001,900 ^{4/}
Agriculture	57,200,500	44,176,800	44,434,400
Arizona Cooperative Extension	15,890,900	15,287,100	15,345,700
Arizona Financial Aid Trust	2,729,400	2,729,400	2,729,400
Arizona Geological Survey	1,148,500	1,208,200	1,717,800 ^{5/}
College of Veterinary Medicine	23,530,000	23,936,300	24,002,500 ^{6/}
Extractive Modular Metallurgy Facility	0	0	850,000
Kazakhstan Studies Program	250,000	250,000	250,000 ^{7/}
Mining, Mineral and Natural Resources Educational Museum	430,300	432,100	439,300
Natural Resource Users Law and Policy Center	1,522,400	1,571,800	1,589,800 ^{8/}
On-Farm Irrigation Efficiency Fund Deposit	15,200,000	0	2,000,000 ^{9/}
School of Mining	4,084,000	4,170,200	4,187,000 ^{10/}
Sierra Vista Campus	4,760,200	5,056,700	5,041,200
Space Analog for the Moon and Mars	1,500,000	0	0
Veterinary Diagnostic Laboratory	2,500,000	2,584,200	2,606,200
AGENCY TOTAL	753,377,500	664,462,800	658,416,600 ^{11/12/}
FUND SOURCES			
General Fund	302,897,200	295,913,700	289,867,500 ^{13/14/15/}
<u>Other Appropriated Funds</u>			
University Collections Fund	450,480,300	368,549,100	368,549,100 ^{16/}
SUBTOTAL - Other Appropriated Funds	450,480,300	368,549,100	368,549,100
SUBTOTAL - Appropriated Funds	753,377,500	664,462,800	658,416,600
Other Non-Appropriated Funds	2,156,245,600	2,140,371,700	2,184,085,100
Federal Funds	320,914,500	313,332,800	319,599,500
TOTAL - ALL SOURCES	3,230,537,600	3,118,167,300	3,162,101,200

AGENCY DESCRIPTION — Established in 1885, The University of Arizona (UA) is one of 3 public universities governed by the Arizona Board of Regents (ABOR). Upon its establishment, UA received the federal land grant for Arizona, allowing the creation of agricultural and mining programs that continue today.

FOOTNOTES

- ^{1/} Any appropriated monies allocated by the university for the center for the philosophy of freedom may not supplant any existing state funding or private or external donations to the center or the philosophy department of the university of Arizona. The appropriated monies and all private and external donations for the center, including any remaining balances from prior fiscal years, shall be deposited in a separate account, shall be used only for the direct operation of the center and may not be used for indirect costs of the university. On or before October 1, 2025, the center shall

submit a report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate education committee and the house of representatives education committee and the director of the joint legislative budget committee that includes at least the following information for the center:

1. The total amount of funding received from all sources.
2. A description of faculty positions and courses offered.
3. The total undergraduate and graduate student participation.
4. Significant community events, initiatives or publications.

The chairpersons of the senate education committee and the house of representatives education committee may request the director of the center to appear before the committees to report on the center's annual achievements.

The legislature intends that appropriated monies allocated by the university for the center for the philosophy of freedom in fiscal year 2025-2026 be consistent with the amount appropriated in fiscal year 2022-2023, except that the university may allocate to the center the lump sum reduction of not more than 3.45 percent prescribed by Laws 2024, Chapter 209, Section 129. (General Appropriations Act footnote)

- 2/ Of the amount appropriated for the university of Arizona main campus operating lump sum, \$1,350,000 shall be used for the Yuma center of excellence for desert agriculture. (General Appropriations Act footnote)
- 3/ A.R.S. § 15-1670 appropriates \$14,248,400 to UA-Main from the General Fund in FY 2026 to finance lease-purchase payments for research infrastructure projects.
- 4/ A.R.S. § 15-1671 appropriates \$12,001,900 to UA-Main from the General Fund in FY 2026 for capital infrastructure projects.
- 5/ The university of Arizona may not use monies appropriated for the Arizona geological survey line item for any other purpose and may not transfer the monies appropriated for the Arizona geological survey to the operating budget or any other line item. (General Appropriations Act footnote)
- 6/ The amount appropriated to the college of veterinary medicine line item shall be distributed to the college of veterinary medicine to increase the number of students that are residents of this state. Before spending these monies, the university of Arizona shall report to the joint legislative budget committee all of the following information for the college of veterinary medicine:
 1. The current number of students who are residents of this state.
 2. The current number of students who are not residents of this state. (General Appropriations Act footnote)
- 7/ The university of Arizona shall use monies appropriated for the Kazakhstan studies program to facilitate academic exchanges between university students and academic institutions in Kazakhstan. (General Appropriations Act footnote)
- 8/ The amount appropriated for the natural resource users law and policy center line item shall be used by the natural resource users law and policy center within the Arizona cooperative extension. Of the amount appropriated, at least \$500,000 shall be used to assist claimants in the general stream adjudication of water rights pursuant to section 15-1647, Arizona Revised Statutes. (General Appropriations Act footnote)
- 9/ The university of Arizona shall use the monies appropriated for the on-farm irrigation efficiency fund deposit line item in fiscal year 2025-2026 for growers in the Gila Valley irrigation district. (General Appropriations Act footnote)
- 10/ One hundred percent of the land earnings and interest from the school of mines land fund shall be distributed to the university of Arizona school of mining and mineral resources in compliance with the enabling act and the Constitution of Arizona. (General Appropriations Act footnote)
- 11/ Other than scholarships awarded through the Arizona financial aid trust, the appropriated monies may not be used for scholarships or any student newspaper. (General Appropriations Act footnote)
- 12/ General Appropriations Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.
- 13/ The state general fund appropriation may not be used for alumni association funding. (General Appropriations Act footnote)
- 14/ The increased state general fund appropriation from Laws 2014, chapter 18 may not be used for medical marijuana research. (General Appropriations Act footnote)
- 15/ The FY 2026 General Fund budget is \$289,867,500. This amount includes \$259,899,800 in UA - Main's individual section of the FY 2026 General Appropriations Act, \$14,248,400 in A.R.S. § 15-1670 lease-purchase appropriations, \$12,001,900 in A.R.S. § 15-1671 capital infrastructure appropriations, and \$3,717,400 for statewide adjustments.
- 16/ Any unencumbered balances remaining in the university collections fund on June 30, 2025 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 Appropriations Act footnote)

Operating Budget

The budget includes \$526,973,000 and 4,705.3 FTE Positions in FY 2026 for the operating budget. These amounts consist of:

	FY 2026
General Fund	\$190,386,700
University Collections Fund	336,586,300

Adjustments are as follows:

Remove One-Time Operating Funding

The budget includes a decrease of \$(14,700,000) from the General Fund in FY 2026 for the elimination of one-time operating funding.

The FY 2023 budget's 3-year plan included \$14,700,000 from the General Fund for one-time operating funding in FY 2023, FY 2024, and FY 2025. The enacted FY 2024 budget's 3-year budget plan increased one-time funding in FY 2024 by \$1,600,000 for a total of \$16,300,000. The FY 2025 amount remained at \$14,700,000 with no funding in FY 2026 and beyond.

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-Main Other Issues Section and ABOR for more information.)*

One-Time Funding

The budget includes a one-time increase of \$1,350,000 from the General Fund in FY 2026 for the Yuma Center of Excellence for Desert Agriculture, which provides funding for research on issues related to the desert agriculture industry.

Statewide Adjustments

The budget includes an increase of \$3,276,900 from the General Fund in FY 2026 for statewide adjustments. *(Please see the Agency Detail and Allocations section.)*

2003 Research Infrastructure Lease-Purchase Payment

The budget includes \$14,248,400 from the General Fund in FY 2026 for the 2003 Research Infrastructure Lease-Purchase Payment line item. Adjustments are as follows:

Refinance Adjustment

The budget includes an increase of \$1,100 from the General Fund in FY 2026 to adjust the Certificates of Participation (COPs) payment.

A.R.S. § 15-1670 appropriates an annual amount from the General Fund to the state university system from FY 2008 through FY 2031 to finance lease-purchase payments for research infrastructure project agreements entered into before July 1, 2006.

Since this funding appears in A.R.S. § 15-1670, this funding would not appear in the FY 2026 General Appropriations Act. In total, the universities have issued \$482,500,000 in COPs for research infrastructure projects. Of this amount, UA has issued \$201,300,000 in COPs. *(Please see the ABOR section for more information.)*

2017 Capital Infrastructure Funding

The budget includes \$12,001,900 from the General Fund in FY 2026 for the 2017 Capital Infrastructure Funding line item. Adjustments are as follows:

Inflation Adjustment

The budget includes an increase of \$235,300 from the General Fund in FY 2026 for a 2.0% increase in Capital Infrastructure Funding.

A.R.S. § 15-1671 provides General Fund appropriations from FY 2019 - FY 2043 for new university research facilities, building renewal, or other capital construction projects. Since this funding appears in A.R.S. § 15-1671, this funding would not appear in the FY 2026 General Appropriations Act.

A.R.S. § 15-1670 increases the appropriation annually by the lesser of 2% or inflation, as measured by the change in the GDP deflator from the second quarter of the second preceding calendar year to the second quarter of the calendar year immediately preceding the fiscal year (in the example of FY 2026, from the second quarter of CY 2023 to the second quarter of CY 2024). *(Please see the Lottery Bonds and Capital Infrastructure Funding Program Summary on the JLBC website.)*

Agriculture

The budget includes \$44,434,400 and 767.9 FTE Positions in FY 2026 for the Agriculture Programs. These amounts consist of:

General Fund	30,250,500
University Collections Fund	14,183,900

Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$257,600 from the General Fund in FY 2026 for statewide adjustments.

This line item supports agricultural academic programs in Animal Systems; Environment and Natural Resources; Family, Youth, and Community; Human Nutrition, Food Safety and Health; Marketing, Trade, and Economics; and Plant Systems.

Arizona Cooperative Extension

The budget includes \$15,345,700 and 249.9 FTE Positions from the General Fund in FY 2026 for the Arizona Cooperative Extension. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$58,600 from the General Fund in FY 2026 for statewide adjustments.

This line item supports Agriculture Experiment Stations and Cooperative Extension services that provide non-credit community outreach seminars and youth programs throughout the state.

Arizona Financial Aid Trust

The budget includes \$2,729,400 from the General Fund in FY 2026 for the Arizona Financial Aid Trust (AFAT). This amount is unchanged from FY 2025. *(Please see the ABOR section for more information).*

Arizona Geological Survey

The budget includes \$1,717,800 and 20.9 FTE Positions from the General Fund in FY 2026 for the Arizona Geological Survey. Adjustments are as follows:

One-Time Funding

The budget includes a one-time increase of \$500,000 from the General Fund in FY 2026 for additional Arizona Geological Survey costs.

Statewide Adjustments

The budget includes an increase of \$9,600 from the General Fund in FY 2026 for statewide adjustments.

The Geological Survey investigates Arizona's geology and provides technical advice and assistance to state and local government agencies, industry and other members of the public concerning the geologic environment and the development and use of mineral resources in Arizona.

College of Veterinary Medicine

The budget includes \$24,002,500 and 269.7 FTE Positions in FY 2026 for the College of Veterinary Medicine. These amounts consist of:

General Fund	8,400,200
University Collections Fund	15,602,300

Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$66,200 from the General Fund in FY 2026 for statewide adjustments.

Extractive Modular Metallurgy Facility

The budget includes \$850,000 from the General Fund in FY 2026 for the Extractive Modular Metallurgy Facility. Adjustments are as follows:

One-Time Funding

The budget includes a one-time increase of \$850,000 from the General Fund in FY 2026 for Extractive Modular Metallurgy Facility, which is part of UA's School of Mining Engineering and Mineral Resources. Extractive metallurgy is the practice of removing valuable metals from an ore and refining the extracted raw materials into purer form.

Kazakhstan Studies Program

The budget includes \$250,000 and 2.8 FTE Positions from the General Fund in FY 2026 for the Kazakhstan Studies Program. This amount is unchanged from FY 2025.

The monies in this line item are used to facilitate academic exchanges between university students and academic institutions in Kazakhstan.

Mining, Mineral and Natural Resources Educational Museum

The budget includes \$439,300 and 3 FTE Positions from the General Fund in FY 2026 for the Mining, Mineral, and Natural Resources Educational Museum. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$7,200 from the General Fund in FY 2026 for statewide adjustments.

This line item funds a curator and monies that will be used by the University to pay for repairs to the building.

The museum is not yet open. Please see the *FY 2024 Appropriations Report* for additional background.

Natural Resource Users Law and Policy Center

The budget includes \$1,589,800 and 23.6 FTE Positions from the General Fund in FY 2026 for the Natural Resource Users Law and Policy Center. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$18,000 from the General Fund in FY 2026 for statewide adjustments.

This line item funds pro bono assistance to claimants who are small landowners in the general stream adjudication of water rights. The university is required to submit a report on assistance activities to the Governor, Speaker of the House of Representatives, and Senate President on November 15 of each year.

On-Farm Irrigation Efficiency Fund Deposit

The budget includes \$2,000,000 from the General Fund in FY 2026 for the On-farm Irrigation Efficiency Fund Deposit line item. Adjustments are as follows:

One-Time Funding

The budget includes a one-time increase of \$2,000,000 from the General Fund in FY 2026 for deposit to the On-Farm Irrigation Efficiency Fund.

The On-farm irrigation Efficiency Program provides grants and data collection for irrigation efficiency systems to reduce on-farm use of groundwater, surface water, mainstream Colorado River water, or water delivered through the Central Arizona Project while minimizing or eliminating the use of flood irrigation or fallowing to reduce on-farm use. A General Appropriations Act footnote requires funding to be used for growers in the Gila Valley irrigation district.

School of Mining

The budget includes \$4,187,000 and 57.2 FTE Positions from the General Fund in FY 2026 for the School of Mining. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$16,800 from the General Fund in FY 2026 for statewide adjustments.

This line item provides operating funding for the UA School of Mining.

A General Appropriations Act footnote requires 100% of the land earnings and interest from the School of Mines

Land Fund to be distributed to the University of Arizona School of Mining and Mineral Resources.

Sierra Vista Campus

The budget includes \$5,041,200 and 47.1 FTE Positions in FY 2026 for the Sierra Vista Campus. These amounts consist of:

General Fund	2,864,600
University Collections Fund	2,176,600

Adjustments are as follows:

Statewide Adjustments

The budget includes a decrease of \$(15,500) from the General Fund in FY 2026 for statewide adjustments.

UA - Sierra Vista offers upper-division undergraduate programs for community college transfer students. While ABOR authorized this UA branch campus for Sierra Vista in 1995, the Legislature has not formally established the campus in statute.

Veterinary Diagnostic Laboratory

The budget includes \$2,606,200 and 15.4 FTE Positions from the General Fund in FY 2026 for the Veterinary Diagnostic Laboratory. Adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$22,000 from the General Fund in FY 2026 for statewide adjustments.

The Veterinary Diagnostic Laboratory provides diagnostic service in animal health to veterinarians, animal owners, university researchers, and state and federal agencies.

Other Issues

This section includes information on the following topics:

- Summary
- Long-Term Budget Impacts
- University Collections and FTE Positions Adjustments

Summary

UA - Main's FY 2026 General Fund budget is \$289,867,500. Of this amount:

- \$259,899,800 is included in UA - Main's individual section of the FY 2026 General Appropriations Act.

- \$14,248,400 is appropriated in A.R.S. § 15-1670 for a research infrastructure lease-purchase payment.
- \$12,001,900 is appropriated in A.R.S. § 15-1671 for new university research facilities, building renewal, or other capital construction projects.
- \$3,717,400 for statewide adjustments.

Long-Term Budget Impacts

As part of the budget's 3-year spending plan, UA - Main's General Fund costs are projected to decrease by \$(4,457,100) in FY 2027 below FY 2026 and increase by \$247,600 in FY 2028 above FY 2027.

These estimates are based on:

- A decrease of \$(1,350,000) to remove one-time funding for the Yuma Center for Excellence for Desert Agriculture.
- A decrease of \$(850,000) to remove one-time funding for an Extractive Modular Metallurgy Facility.
- A decrease of \$(500,000) to remove one-time funding for the Arizona Geological Survey.
- A decrease of \$(2,000,000) to remove a one-time deposit to the On-Farm Irrigation Fund deposit.
- Increases of \$2,900 in FY 2027 and \$2,800 in FY 2028 to adjust for university debt service costs.
- Increases of \$240,000 in FY 2027 and \$244,800 in FY 2028 to increase the university's annual Capital Infrastructure Funding.

University Collections and FTE Positions Adjustments

Including statewide adjustments, the FY 2025 General Appropriations Act appropriated \$347,232,700 from the University Collections Fund to UA - Main. The Collections Fund for UA - Main 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 Appropriations 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 2025 to the Joint Legislative Budget Committee in June 2024, and UA incorporated the adjusted FY 2025 amounts as part of their FY 2026 budget submission. Accordingly, the estimated FY 2025 amount has been adjusted upward by \$21,316,400 to \$368,549,100.

The FY 2025 FTE Position count has also been adjusted. The FY 2025 General Appropriations Act originally appropriated 6,089 FTE Positions in FY 2025 for UA - Main. The General Fund accounted for 2,839.6 FTE Positions and the University Collections Fund accounted for the remaining 3,249.4 FTE Positions. The estimated number of FY 2025 FTE Positions has been adjusted by 73.8 to 6,162.8. The General Fund accounts for 2,771.1 FTE Positions and the University Collections Fund accounts for the remaining 3,391.7 FTE Positions.