### University of Arizona - Main Campus

<table>
<thead>
<tr>
<th>OPERATING BUDGET</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Time Equivalent Positions</td>
<td>5,605.5</td>
<td>6,009.5</td>
<td>6,009.5</td>
</tr>
<tr>
<td>Personal Services</td>
<td>274,493,400</td>
<td>328,570,100</td>
<td>328,570,100</td>
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<tr>
<td>Employee Related Expenditures</td>
<td>103,071,600</td>
<td>121,834,600</td>
<td>126,528,800</td>
</tr>
<tr>
<td>Professional and Outside Services</td>
<td>3,166,900</td>
<td>3,314,100</td>
<td>3,314,100</td>
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<tr>
<td>Travel - In State</td>
<td>82,600</td>
<td>66,000</td>
<td>66,000</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>653,400</td>
<td>52,300</td>
<td>52,300</td>
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<tr>
<td>Other Operating Expenditures</td>
<td>65,901,300</td>
<td>59,807,000</td>
<td>60,725,100</td>
</tr>
<tr>
<td>Equipment</td>
<td>100</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>OPERATING SUBTOTAL</td>
<td>447,369,300</td>
<td>513,644,100</td>
<td>519,256,400</td>
</tr>
</tbody>
</table>

### SPECIAL LINE ITEMS

- 2003 Research Infrastructure Lease-Purchase Payment | 9,593,600 | 13,978,400 | 14,249,300 |
- Agriculture | 36,880,500 | 39,580,600 | 39,580,600 |
- Arizona Cooperative Extension | 15,248,300 | 16,158,100 | 16,158,100 |
- Arizona Financial Aid Trust | 0 | 0 | 2,729,400 |
- Arizona Geological Survey | 0 | 0 | 950,400 |
- Center for the Philosophy of Freedom | 500,000 | 2,500,000 | 3,500,000 |
- Elimination of Payment Deferral | 62,153,100 | 0 | 0 |
- Mining, Mineral and Natural Resources Educational Museum | 0 | 428,300 | 428,300 |
- One-Time Funding | 0 | 8,000,000 | 3,157,700 |
- Sierra Vista Campus | 6,808,100 | 7,911,200 | 7,911,200 |
| AGENCY TOTAL | 578,552,900 | 602,200,700 | 607,921,400 |

### FUND SOURCES

| General Fund | 241,652,500 | 197,059,600 | 199,600,900 |
| SUBTOTAL - Other Appropriated Funds | 336,900,400 | 405,141,100 | 408,320,500 |
| SUBTOTAL - Appropriated Funds | 578,552,900 | 602,200,700 | 607,921,400 |

### OTHER NON-APPROPRIATED FUNDS

- Other Non-Appropriated Funds | 1,018,586,900 | 1,081,304,400 | 1,118,100,000 |
- Federal Funds | 199,642,100 | 219,730,900 | 227,529,600 |
| TOTAL - ALL SOURCES | 1,796,781,900 | 1,903,236,000 | 1,953,551,000 |

### AGENCY DESCRIPTION

Established in 1885, The University of Arizona (UA) is one of 3 public universities governed by the Arizona Board of Regents (ABOR). As a primary research institution, UA offers 362 degree-programs and 4 specialist programs to approximately 42,000 full- and part-time students in 39 colleges and schools at its Main Campus in Tucson. Upon its establishment, UA received the federal land grant for Arizona, allowing the creation of agricultural and mining programs that continue today. UA-South is a branch campus of the university in Sierra Vista.

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1/ Includes 870 GF and 296.1 OF FTE Positions funded from Special Line Items in FY 2018.
2/ A.R.S. § 15-1670 appropriates $14,249,300 from the General Fund to finance lease-purchase payments for research infrastructure projects.
3/ Prior to the FY 2018 budget, UA’s share of the General Fund monies appropriated for the Arizona Financial Aid Trust were included in the ABOR budget.
4/ Laws 2017, Chapter 285 is an ongoing appropriation of $941,000 from the General Fund for the Arizona Geological Survey. As adjusted for statewide appropriations this line item includes $950,400.
The budget includes $519,256,400 and 4,843.4 FTE Positions in FY 2018 for the operating budget. These amounts consist of:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$128,986,500</td>
</tr>
<tr>
<td>University Collections Fund</td>
<td>390,269,900</td>
</tr>
</tbody>
</table>

These amounts fund the following adjustments:

**Performance Funding Reallocation**

The budget includes an increase of $1,205,000 from the General Fund in FY 2018 for the reallocation of performance funding monies from the Arizona Board of Regents (ABOR) to University of Arizona - Main (UA - Main). The ABOR budget is reduced by the same amount in FY 2018. (Please see the Performance Funding narrative in the ABOR section for more information.)

**Statewide Adjustments**

The budget includes an increase of $4,407,300 in FY 2018 for statewide adjustments. This amount consists of:

- **Refinance Adjustment**
  - The budget includes $14,249,300 from the General Fund in FY 2018 for the 2003 Research Infrastructure Lease-Purchase Payment line item. This amount funds the following adjustments:
    - **Refinance Adjustment**
      - The budget includes an increase of $270,900 from the General Fund in FY 2018 to adjust from prior year savings associated with the refinancing of Certificates of Participation (COPs).

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5/ The appropriated amount for the Center for the Philosophy of Freedom line item 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 to the Center shall be used only for the direct operation of the Center and may not be used for indirect costs of the university. 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 on or before October 2, 2017. The report shall include at least the following 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. (General Appropriation Act footnote)

6/ A. The sum of $15,000,000 is appropriated from the state General Fund in FY 2018 to Arizona State University, Northern Arizona University and the University of Arizona for capital improvements or operating expenditures in the following amounts: 1) Arizona State University $7,639,500, 2) Northern Arizona University $3,202,800, 3) University of Arizona $4,157,700. C. $1,000,000 of the amount appropriated to the University of Arizona pursuant to this section shall be used for operating expenditures of the Center for the Philosophy of Freedom. This amount must supplement and not supplant any existing state funding or private or external donations to the school. The appropriated monies and all private and external donations to the school shall be used only for the direct operation of the school and may not be used for indirect costs of the university. The Center shall submit the report intended use of the monies to the Joint Legislative Budget Committee. E. Before any expenditure of the monies appropriated in subsection A of this section for capital improvements, each university shall submit the scope, purpose and estimated cost of the capital improvements for review by the Joint Committee on Capital Review pursuant to A.R.S. § 41-1252. (General Appropriation Act footnote)

7/ The $1,000,000 of one-time funding restricted to operating expenditures for the Center for the Philosophy of Freedom are displayed as part of the school's line item and are excluded from the amount displayed for the One-Time Funding line item.

8/ This appropriation includes a one-time state General Fund appropriation of $62,153,100 (FY 2017 General Appropriation Act footnote). These funds were appropriated to pay off UA-Main's share of the university rollover.

9/ 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)

10/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

11/ The state General Fund appropriation may not be used for alumni association funding or contracts with individuals or entities for lobbying services. (General Appropriation Act footnote)

12/ The FY 2018 General Fund budget as adjusted for statewide adjustments is $199,600,900. This amount includes $179,015,600 in UA - Main's individual section of the FY 2018 General Appropriation Act, $1,237,300 for statewide adjustments, $14,249,300 in A.R.S. § 15-1670 lease-purchase appropriations, $941,000 from Laws 2017, Chapter 285 for the Arizona Geological Survey, and a one-time $4,157,700 appropriation in Section 131 of the FY 2018 General Appropriation Act for capital improvements or other operating expenditures.

13/ The increased state General Fund appropriation from Laws 2014, Chapter 18 may not be used for medical marijuana research. (General Appropriation Act footnote)

14/ Any unencumbered balances remaining in the University Collections Fund on June 30, 2017 and all collections received by the university during the fiscal year, when paid into the State Treasury, 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 expended for supplemental life insurance or supplemental retirement. (General Appropriation Act footnote)
Laws 2003, Chapter 267 (A.R.S. § 15 -1670) appropriated a total of $34,625,000 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.

Due to subsequent refinancing, the FY 2017 Higher Education Budget Reconciliation Bill (BRB) (Laws 2016, Chapter 130) amended A.R.S. § 15-1670 to revise the FY 2018 to FY 2031 research infrastructure appropriations to correspond to UA’s current debt service schedule.

Since this funding appears in A.R.S. § 15-1670, this funding would not appear in the FY 2018 General Appropriation 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 Long-Term Budget Impacts narrative below and the 2003 Research Infrastructure narrative in the ABOR section for more information.)

Agriculture

The budget includes $39,580,600 and 735 FTE Positions in FY 2018 for the Agriculture Programs. These amounts consist of:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>28,397,500</td>
</tr>
<tr>
<td>University Collections Fund</td>
<td>11,183,100</td>
</tr>
</tbody>
</table>

These amounts are unchanged from FY 2017.

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 $16,158,100 and 351.2 FTE Positions in FY 2018 for the Arizona Cooperative Extension. These amounts consist of:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>14,458,100</td>
</tr>
<tr>
<td>University Collection Fund</td>
<td>1,700,000</td>
</tr>
</tbody>
</table>

These amounts are unchanged from FY 2017.

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 2018 for the Arizona Financial Aid Trust (AFAT). This amount funds the following adjustments:

AFAT Reallocation

The budget includes an increase of $2,729,400 from the General Fund in FY 2018 for the reallocation of UA’s share of AFAT monies from ABOR to the university. The ABOR budget is reduced by the same amount in FY 2018. (Please see the Student Financial Assistance narrative in the ABOR section for more information.)

Arizona Geological Survey

The budget includes $950,400 from the General Fund in FY 2018 for the Arizona Geological Survey. This amount funds the following adjustments:

Geological Survey


Statewide Adjustments

The budget includes an increase of $9,400 from the General Fund in FY 2018 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.

The FY 2017 Agency Consolidation BRB (Laws 2016, Chapter 128) transferred the statutory responsibilities of the Arizona Geological Survey to the University of Arizona effective July 1, 2016. No General Fund funding was appropriated to UA - Main for the Geological Survey in FY 2017. UA provided support of $941,000 in FY 2017 for the Geological Survey. Laws 2017, Chapter 285 restores the amount of monies the agency received from the General Fund prior to the consolidation with the University of Arizona.

In addition, the Geological Survey also had several non-appropriated and Federal Funds (formerly represented as the Geological Survey Fund, Indirect Cost Recovery Fund - GSA9000, and Federal Grants - GSA2000), which were combined into a single other non-appropriated fund, the Geological Survey Fund, within the UA - Main budget. The monies for the Mining, Mineral and Natural Resources Educational Museum Account are accounted for below in a separate line item. (For additional details regarding the
related museum, please see the Geological Survey in the FY 2017 Appropriations Report and FY 2018 Baseline.)

Center for the Philosophy of Freedom

The budget includes $3,500,000 from the General Fund in FY 2018 for the Center for the Philosophy of Freedom (CPF). This amount funds the following adjustments:

One-Time Funding

The budget includes an increase of $1,000,000 from the General Fund in FY 2018 for one-time funding for operating expenditures. (Please see the One-Time Funding line item narrative above for more information.)

This line item supports the CPF, which is within the UA College of Social and Behavioral Sciences. The CPF’s functions include published research, undergraduate education, graduate education, and community outreach.

Mining, Mineral and Natural Resources Educational Museum

The budget includes $428,300 and 1 FTE Position from the General Fund in FY 2018 for the Mining, Mineral, and Natural Resources Educational Museum. These amounts are unchanged from FY 2017.

The FY 2017 Agency Consolidation BRB transferred $428,300 and 1 FTE Position from the General Fund in FY 2017 for the Mining, Mineral and Natural Resources Educational Museum. The Agency Consolidation BRB transferred the Arizona Experience Museum from the Arizona Historical Society (AHS) to the Arizona Geological Survey, which the same legislation placed within the University of Arizona, and renamed as the Mining, Mineral and Natural Resources Educational Museum (Museum). The Museum closed May 1, 2011. AHS subsequently oversaw the collections and building. (Please see Mining, Mineral and Natural Resources Educational Museum Transfer in the FY 2017 Appropriations report and FY 2018 Baseline for more information.)

The FY 2017 Agency Consolidation BRB directed the State Geologist with the Mining, Mineral and Natural Resources Educational Museum Advisory Council to produce a report by December 31, 2018 detailing the funding needs of restoring the building as a museum and outline other possible uses. If sufficient monies were not raised by July 1, 2018 to reopen the building, the museum and monies in the account were to revert back to AHS.

Laws 2017, Chapter 221 removed these provisions and directed the Arizona Department of Administration to convey ownership of the property to UA for nominal consideration by July 1, 2017, and the FY 2018 Budget Procedures Budget Reconciliation Bill (Laws 2017, Chapter 307) as permanent law exempts University of Arizona from paying building rent for the Museum.

This line item now funds a curator and monies that will be used by the University to pay for repairs to the building. Of the total appropriation for the Museum, $360,800 is available for renovations and the remaining $67,500 funds a curator position.

One-Time Funding

The budget includes $3,157,700 in FY 2018 from the General Fund for the One-Time Funding line item. This amount funds the following adjustments:

Continued One-Time Funding

The budget includes a decrease of $(4,842,300) from the General Fund in FY 2018 for the partial reduction of one-time funding for capital improvements or operating expenditures. The FY 2017 budget appropriated $8,000,000 from the General Fund to UA in FY 2017 that was designated as one-time funding. The FY 2018 budget includes $4,157,700 from the General Fund that is designated as one-time funding. Of this amount, however, $1,000,000 is restricted for operating expenditures of the Center for the Philosophy of Freedom and therefore is displayed in the funding for that line item. (Please see the Center for the Philosophy of Freedom narrative above for more information.)

Sierra Vista Campus

The budget includes $7,911,200 and 78.9 FTE Positions in FY 2018 for the Sierra Vista Campus. These amounts consist of:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>2,743,700</td>
</tr>
<tr>
<td>University Collections Fund</td>
<td>5,167,500</td>
</tr>
</tbody>
</table>

These amounts are unchanged from FY 2017.

UA - South offers upper-division undergraduate programs in 16 disciplines 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.
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 2018 General Fund budget is $199,600,900. Of this amount:

- $179,015,600 is included in UA - Main’s individual section of the FY 2018 General Appropriation Act.
- $1,237,300 is part of statewide adjustments.
- $14,249,300 is appropriated in A.R.S. § 15-1670 for a research infrastructure lease-purchase payment.
- Laws 2017, Chapter 285 is an ongoing appropriation of $941,000 from the General Fund for the Arizona Geological Survey
- $4,157,700 is a one-time appropriation in section 131 of the FY 2018 General Appropriation Act for capital improvements or operating expenditures, including $1,000,000 that must be used for operating expenditures of the School of Civic and Economic Thought and Leadership.

Long-Term Budget Impacts

As part of the budget’s 3-year spending plan, UA - Main’s General Fund costs are projected to increase by $6,395,700 in FY 2019 above FY 2018, and $(800) in FY 2020 below FY 2019.

These estimates include UA-Main’s annual appropriations for the University Capital Investment Program, as established in A.R.S. § 15-1671 by Laws 2017, Chapter 328. The appropriations will begin in FY 2019 at $10,551,700 and will grow by 2% or inflation each year thereafter through FY 2043. (Please see the 2017 University Capital Investment Program narrative in the Capital Outlay - ABOR Building System section for more information.)

The estimates for FY 2019 are decreased by $(4,157,700) for the removal of one-time funding. The estimates also include a $1,700 increase in the level of state appropriations required to cover refinanced Research Infrastructure debt service costs in FY 2019 compared to FY 2018 and a $(800) decrease in FY 2020 below FY 2019. (Please see the 2003 Research Infrastructure Refinancing narrative in the ABOR section for more information.)

University Collections and FTE Positions Adjustments

The FY 2017 General Appropriation Act (Laws 2016, Chapter 117) appropriated $361,149,600 from the University Collections Fund to UA - Main in FY 2017. 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 exceed the appropriated amount, the annual General Appropriation Act includes a footnote permitting the universities to expend those amounts as well and a separate footnote requiring the submission of a report detailing any adjustments to the appropriated amounts.

ABOR sets tuition in the spring (independent of the legislative process). Any revised tuition rates as well as changes in enrollment can result in collections exceeding the appropriated amount. The Universities reported the adjustments to the University Collections Fund for FY 2017 to the Joint Legislative Budget Committee in June 2016, and UA incorporated the adjusted FY 2017 amounts as part of their FY 2018 budget submission. Accordingly, the FY 2017 amount in the budget has been adjusted upward by $43,991,500 to $405,141,100.

The FY 2018 University Collections Fund amount is further increased by $3,179,400 for statewide adjustments to $408,320,500.

The FY 2017 FTE Position count has also been adjusted. Laws 2016, Chapter 117 originally appropriated 5,606.5 FTE Positions in FY 2017 for UA - Main. The General Fund accounted for 1,938.7 FTE Positions and the University Collections Fund accounted for the remaining 3,667.8 FTE Positions. The estimated number of FY 2017 FTE Positions has been adjusted by 403 to 6,009.5. The General Fund accounts for 2,063.3 FTE Positions and the University Collections Fund accounts for the remaining 3,946.2 FTE Positions.
### University of Arizona - Health Sciences Center

#### OPERATING BUDGET

<table>
<thead>
<tr>
<th>Full Time Equivalent Positions</th>
<th>FY 2016 ACTUAL</th>
<th>FY 2017 ESTIMATE</th>
<th>FY 2018 APPROVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>1,375.9</td>
<td>1,157.3</td>
<td>1,157.3</td>
</tr>
<tr>
<td>Employee Related Expenditures</td>
<td>49,277,000</td>
<td>50,797,800</td>
<td>50,797,800</td>
</tr>
<tr>
<td>Professional and Outside Services</td>
<td>17,501,000</td>
<td>17,643,400</td>
<td>18,629,500</td>
</tr>
<tr>
<td>Travel - In State</td>
<td>2,825,500</td>
<td>1,739,700</td>
<td>1,739,700</td>
</tr>
<tr>
<td>Travel - Out of State</td>
<td>32,400</td>
<td>39,400</td>
<td>39,400</td>
</tr>
<tr>
<td>Other Operating Expenditures</td>
<td>163,000</td>
<td>6,700</td>
<td>6,700</td>
</tr>
<tr>
<td>Operating Subtotal</td>
<td>72,615,700</td>
<td>72,266,900</td>
<td>73,253,000</td>
</tr>
</tbody>
</table>

#### SPECIAL LINE ITEMS

- Clinical Rural Rotation: 349,400
- Clinical Teaching Support: 8,587,000
- Elimination of Payment Deferral: 16,776,700
- Liver Research Institute: 424,700
- Phoenix Medical Campus: 31,460,200
- Telemedicine Network: 1,838,500

**AGENCY TOTAL**: 132,052,200

#### FUND SOURCES

- **General Fund**: 85,170,200
- **University Collections Fund**: 46,882,000
- **Other Appropriated Funds**: 46,882,000
- **Other Non-Appropriated Funds**: 391,961,100
- **Federal Funds**: 95,138,800

**TOTAL - ALL SOURCES**: 619,152,100

#### AGENCY DESCRIPTION — The University of Arizona’s Health Sciences Center (UA-HSC) includes its Colleges of Medicine, Nursing, Pharmacy, and Public Health. The UA-HSC enrolls over 2,989 full-time students as well as 460 medical students at its 48-acre campus in Tucson. UA-HSC currently operates a medical campus in Phoenix that opened in FY 2006. The Colleges of Pharmacy and Public Health also have a presence on the Phoenix Biomedical campus, which has increased its enrollment to 321 medical and 80 Master of Public Health and Pharmacy students.

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**Notes**:
1/ Includes 381.9 GF and 58.3 OF FTE Positions funded from Special Line Items in FY 2018.
2/ This appropriation includes a one-time state General Fund appropriation of $16,776,700 (FY 2017 General Appropriation Act footnote). These funds were appropriated to pay off UA - HSC’s share of the university rollover.
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 or contracts with individuals or entities for lobbying services. (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/ The FY 2018 General Fund budget as adjusted for statewide adjustments is $69,437,700. This amount includes $68,859,800 in UA - HSC’s individual section of the FY 2018 General Appropriation Act and $577,900 for statewide adjustments.
8/ Any unencumbered balances remaining in the University Collections Fund on June 30, 2017 and all collections received by the university during the fiscal year, when paid into the State Treasury, 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 expended for supplemental life insurance or supplemental retirement. (General Appropriation Act footnote)
**Operating Budget**

The budget includes $73,253,000 and 717.1 FTE Positions in FY 2018 for the operating budget. These amounts consist of:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2018</td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>$35,132,000</td>
</tr>
<tr>
<td>University Collections Fund</td>
<td>38,121,000</td>
</tr>
</tbody>
</table>

These amounts fund the following adjustments:

**Statewide Adjustments**

The budget includes an increase of $986,100 in FY 2018 for statewide adjustments. This amount consists of:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>577,900</td>
</tr>
<tr>
<td>University Collections Fund</td>
<td>408,200</td>
</tr>
</tbody>
</table>

(Please see the Agency Detail and Allocations section.)

Student enrollment growth and tuition and fee increases for students will contribute to an increase in university tuition and fee collections. The University Collections Fund amount will ultimately be adjusted to reflect these additional revenues. (Please see the ABOR section for more information.)

**Clinical Rural Rotation**

The budget includes $353,400 and 6.2 FTE Positions from the General Fund in FY 2018 for the Clinical Rural Rotation program. These amounts are unchanged from FY 2017.

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 budget includes $8,587,000 and 215 FTE Positions from the General Fund in FY 2018 for Clinical Teaching Support. These amounts are unchanged from FY 2017.

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. Since participation in the program has been stable for several years, the funding summary above includes these FTE Positions.

**Liver Research Institute**

The budget includes $440,100 and 6.6 FTE Positions from the General Fund in FY 2018 for the Liver Research Institute. These amounts are unchanged from FY 2017.

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 budget includes $33,034,800 and 196.9 FTE Positions in FY 2018 for the Phoenix Medical Campus (PMC). These amounts consist of:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>23,256,200</td>
</tr>
<tr>
<td>University Collections Fund</td>
<td>9,778,600</td>
</tr>
</tbody>
</table>

These amounts are unchanged from FY 2017.

The Phoenix Medical Campus currently has 321 medical students and 80 Master of Public Health students. By FY 2025, UA envisions developing a campus of approximately 1,200,000 square feet incorporating research, instruction, and clinical facilities to serve a planned population of 480 medical students, 250 graduate students, and 1,660 science students.

Laws 2008, Chapter 287 authorized ABOR to enter into lease-to-own and bond transactions up to a maximum of $800,000,000 to pay for building renewal projects and new facilities of which ABOR is required to allocate $376,000,000 for the Phoenix Medical Campus. Of that amount, the JCCR has reviewed $276,245,000. (For additional information on university lottery bonding, please see the Capital Outlay - ABOR Building Systems section of this report. For historical information, please see the FY 2015 Appropriations Report.)

**Telemedicine Network**

The budget includes $1,669,000 and 15.5 FTE Positions from the General Fund in FY 2018 for the Telemedicine Network. These amounts are unchanged from FY 2017.

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

The FY 2017 General Appropriation Act (Laws 2016, Chapter 117) appropriated $44,053,800 from the University Collections Fund to UA - HSC in FY 2017. 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 exceed the appropriated amount, the annual General Appropriation Act includes a footnote permitting the universities to expend those amounts as well and a separate footnote requiring the submission of a report detailing any adjustments to the appropriated amounts.

ABOR sets tuition in the spring (independent of the legislative process). Any revised tuition rates as well as changes in enrollment can result in collections exceeding the appropriated amount. The Universities reported the adjustments to the University Collections Fund for FY 2017 to the Joint Legislative Budget Committee in July 2016, and UA incorporated the adjusted FY 2017 amounts as part of their FY 2018 budget submission. Accordingly, the FY 2017 amount in the budget has been adjusted upward by $3,437,600 to $47,491,400.

The FY 2018 University Collections Fund amount is further increased by $408,200 for statewide adjustments to $47,899,600.

The FY 2017 FTE Position count has also been adjusted. Laws 2016, Chapter 117 originally appropriated 1,375.9 FTE Positions in FY 2017 for the UA - HSC. The General Fund accounted for 845.7 FTE Positions and the University Collections Fund accounted for the remaining 530.2 FTE Positions. The estimated number of FY 2017 FTE Positions has been adjusted by (218.6) to 1,157.3. The General Fund accounts for 724.8 FTE Positions and the University Collections Fund accounts for the remaining 432.5 FTE Positions.