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	FY 2000 Actual	FY 2001 Estimate	FY 2002 Approved	FY 2003 Approved
OPERATING BUDGET				
Full Time Equivalent Positions	698.4	700.2	698.2 ^{1/}	698.2 ^{1/}
Personal Services	39,249,900	41,115,600	42,149,600	44,953,700
Employee Related Expenditures	6,585,100	7,130,400	7,640,600	7,791,600
Professional and Outside Services	431,600	422,100	422,100	422,100
Travel - In State	22,700	73,100	72,700	72,700
Travel - Out of State	87,900	25,000	23,600	23,600
Library Acquisitions	1,151,200	0	0	0
Other Operating Expenditures	3,055,800	2,250,600	2,246,500	2,446,500
Equipment	748,500	1,719,500	1,713,100	1,713,100
<i>Operating Subtotal</i>	51,332,700	52,736,300	54,268,200	57,423,300
Clinical Teaching Support	9,488,700	9,612,400	9,793,000	10,281,400
Telemedicine Network	1,263,200	1,271,300	1,290,600	1,310,900
Clinical Rural Rotation	475,800	464,800	480,600	492,500
Liver Research Institute	451,300	511,300	528,000	548,400
SUBTOTAL	63,011,700	64,596,100	66,360,400	70,056,500
Additional Appropriations -				
Tobacco Tax Allocation; Detoxification Services, Ch. 374	0	0	225,000 ^{2/}	0
TOTAL APPROPRIATIONS	63,011,700	64,596,100	66,585,400 ^{3/4/5/}	70,056,500 ^{3/4/5/}
FUND SOURCES				
General Fund	56,214,600	57,704,000	59,396,900	63,029,400
<u>Other Appropriated Funds</u>				
University Collections Fund	6,705,100	6,800,100	6,871,500	6,935,100
Poison Control Fund	92,000	92,000	92,000	92,000
Tobacco Tax and Health Care Fund - Medically Needy Account	0	0	225,000	0
<i>Subtotal - Other Appropriated Funds</i>	6,797,100	6,892,100	7,188,500	7,027,100
TOTAL APPROPRIATIONS	63,011,700	64,596,100	66,585,400	70,056,500

AGENCY DESCRIPTION — *The Arizona Health Sciences Center (AHSC) consists of the University of Arizona (UofA) Colleges of Medicine, Nursing and Pharmacy, and the School of Health Related Professions. Authorized in 1961 by the Arizona Board of Regents, the College of Medicine offers a professional program leading to the M.D. degree for 408 medical students. As a separate budget unit of the University of Arizona, AHSC is governed by the Arizona Board of Regents.*

^{1/} Includes 23.6 FTE Positions funded from Special Line Items in FY 2002 and FY 2003.

^{2/} Pursuant to Laws 2001, Chapter 374, this appropriation is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations.

^{3/} The appropriated monies are not to be used for scholarships. (General Appropriation Act footnote)

^{4/} Any unencumbered balances remaining in the collections account on June 30, 2001 and June 30, 2002, respectively, 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. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above. Within 10 days of the acceptance of the universities' semiannual all funds budget reports, the Arizona Board of Regents shall inform the Joint Legislative Budget Committee of any tuition revenue amounts that are different from the amounts appropriated by the Legislature. (General Appropriation Act footnote)

^{5/} General Appropriation Act funds are appropriated as a Lump Sum by Agency with Special Line Items.

PERFORMANCE MEASURES	FY 1999	FY 2000	FY 2001	FY 2002-03
	Est./Actual	Est./Actual	Estimate	Estimate
• % of graduating seniors who rate their overall university experience as “good”/“excellent”	NA	NA/98	98	98
• % of full-time undergraduate students enrolled per semester in 3 or more primary courses with ranked faculty	NA	NA/74	75	75
• Number of degrees granted:	NA/551	NA/562	574	586/600
Bachelors	NA/238	NA/246	256	266/278
Masters	NA/128	NA/129	130	131/132
First Professional	NA/146	NA/147	148	149/150
Doctorate	NA/39	NA/40	40	40
• Gifts, grants and contracts (\$ in millions)	NA/103	NA/108	113	117/122
• % of agency staff turnover	NA/23.1	NA/23.1	23.1	23.1
• Administration as a % of total cost	NA	NA/1.0	1.2	1.4/1.3

Enrollment Growth — The approved amount includes a decrease of \$(122,400) and (2) FTE Positions from the General Fund in both FY 2002 and FY 2003 below FY 2001 for decreasing student enrollment. The Legislature did not make any adjustments for enrollment in FY 2003. It is the intent of the Legislature to make any necessary adjustments for FY 2003 during the 2002 Legislative Session.

Student enrollment is based on a comparison of 3-year rolling weighted averages from year to year. The recommended amounts reflect a FY 2002 and FY 2003 student enrollment of 1,344, or a (30) student decrease of (2.2)% from funded FY 2001 enrollment (*see Table 1*). The funding formula of 22:1:0.5 increases or decreases funding for 1 faculty and 0.5 support FTE Positions for every 22 student increase or decrease.

Fund Adjustments for Increased Collections — The approved amount includes a FY 2002 General Fund decrease of \$(71,400) below FY 2001 and a FY 2003 General Fund decrease of \$(135,000) below FY 2001 with corresponding increases from the University Collections Fund in each year as a result of anticipated changes in student enrollment and the previous year tuition increase generating higher collections. The FY 2003 General Fund offset is higher due to an estimated increase of \$63,600 in available collections from changes in enrollment and the previous year tuition increase. Increases in collections are available to offset the General Fund and maintain the base-operating budget.

Decision Packages Funding — The Legislature appropriated a total of \$16,000,000 from the General Fund for the universities to distribute among themselves for decision packages. *Table 2* lists the allocation of the \$16,000,000 among the universities. UofA-HSC has allocated \$990,000 and 10.2 FTE Positions in FY 2003 for program funding within the center

			FY 2001 Funded Enrollment	Increase/(Decrease)
Fall 1999 (Actual)	1,358	@ 25%	340	
Fall 2000 (Estimate)	1,334	@ 50%	667	
Fall 2001 (Projection)	1,349	@ 25%	337	
Weighted Average			1,344	(30)

	FY 2002	FY 2003	Use of Funds
ASU-Main		800,000	Graduate student health insurance.
ASU-East	2,000,000	3,000,000	Program funding.
ASU-West		200,000	Program funding.
NAU		4,000,000	Bond debt service.
UofA-Main	1,510,000	2,450,000	Graduate student pay; NW campus development.
UofA-Sierra Vista SLI	250,000	800,000	Program funding.
UofA-Health Sciences Center		990,000	Program funding.
Total	\$3,760,000	\$12,240,000	

The required FTE Positions were not known at the time the General Appropriation Act was passed, however, the Arizona Board of Regents has historically been allowed to authorize additional FTE Positions for universities when additional monies are available (primarily from tuition and fee collections).

Teratogen Information Program – The approved amount continues funding of \$92,000 from the Poison Control Fund in both FY 2002 and FY 2003 that was appropriated by Laws 1999, Chapter 291. The program provides a statewide toll free telephone number to provide health care providers and the public with up-to-date information and referrals on possible teratogen exposure, and develops educational programs and materials. A teratogen is a physical, infectious or chemical agent that causes a change in the normal development of a human embryo or fetus. The program operates in association with the Poison Control and Information Center at the HSC.

Special Line Items

Clinical Teaching Support — Clinical Teaching Support provides hospital training for Clinical Assistants, Medical Students, and other health care residents and interns in a wide variety of specialty areas. The approved amounts for FY 2002 and FY 2003 were based on the General Fund allocations shown in *Table 3*.

	<u>FY 2002</u>	<u>FY 2003</u>
<i>FTE Positions</i>	<u>0.0</u>	<u>0.0</u>
Personal Services	\$8,492,300	\$8,921,300
ERE	1,110,700	1,170,100
Prof. & Outside Svcs.	<u>190,000</u>	<u>190,000</u>
Total	\$9,793,000	\$10,281,400

Telemedicine Network — Telemedicine is the use of computers, video imaging, broad-band channels, and telecommunications for diagnosis and treatment of persons in rural, geographically isolated communities, and secure State institutions. The approved amounts for FY 2002 and FY 2003 were based on the General Fund allocations shown in *Table 4*. (See *Additional Appropriations for additional telemedicine funding*.)

	<u>FY 2002</u>	<u>FY 2003</u>
<i>FTE Positions</i>	<u>8.4</u>	<u>8.4</u>
Personal Services	\$420,100	\$441,000
ERE	83,100	82,500
Prof. & Outside Svcs.	169,300	169,300
Travel – In State	35,800	35,800
Other Operating Exp.	464,300	464,300
Equipment	<u>118,000</u>	<u>118,000</u>
Total	\$1,290,600	\$1,310,900

Clinical Rural Rotation — The Rural Health Professions Program enables nurse practitioner students, medical students, and pharmacy students to plan and complete clinical practice rotations in rural and medically underserved sites throughout the state. The approved amounts for FY 2002 and FY 2003 were based on the General Fund allocations shown in *Table 5*.

	<u>FY 2002</u>	<u>FY 2003</u>
<i>FTE Positions</i>	<u>7.2</u>	<u>7.2</u>
Personal Services	\$283,800	\$296,900
ERE	61,200	60,000
Prof. & Outside Svcs.	54,300	54,300
Travel – In State	5,200	5,200
Other Operating Exp.	66,100	66,100
Equipment	<u>10,000</u>	<u>10,000</u>
Total	\$480,600	\$492,500

Liver Research Institute — The Liver Research Institute conducts clinical research on all liver diseases, with a major focus on the search for chemical or natural agents that offer a potential cure for liver diseases. The approved amount also supports a research fund development program for acquisition of outside grants and donations. The approved amounts for FY 2002 and FY 2003 were based on the General Fund allocations shown in *Table 6*.

	<u>FY 2002</u>	<u>FY 2003</u>
<i>FTE Positions</i>	<u>8.0</u>	<u>8.0</u>
Personal Services	\$395,400	\$416,300
ERE	78,600	78,100
Other Operating Exp.	<u>54,000</u>	<u>54,000</u>
Total	\$528,000	\$548,400

Additional Appropriations: Tobacco Tax Allocation; Detoxification Services (Chapter 374) — Appropriates a total of \$225,000 from the Tobacco Tax and Health Care Fund-Medically Needy Account in FY 2002 for the following telemedicine projects:

- Provides a non-lapsing appropriation of \$100,000 to the UofA Telemedicine Program to establish a 1-year pilot project to determine the efficacy of using telemedicine technology in school health clinics. Report due by November 15, 2002.
- Provides a non-lapsing appropriation of \$125,000 to the UofA for procurement of telemedicine behavioral health services to be administered by telemedicine behavioral health entities.

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