

Arizona Board of Regents

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DESCRIPTION	FY 2003	FY 2004	FY 2005	
	ACTUAL	ESTIMATE	OSPB	JLBC
OPERATING BUDGET				
<i>Full Time Equivalent Positions</i>	27.9	27.9		27.9
Personal Services	1,484,200	1,464,000		1,464,000
Employee Related Expenditures	250,600	389,800		389,800
Professional and Outside Services	49,300	49,300		49,300
Travel - In State	2,100	0		0
Other Operating Expenditures	299,700	182,800		182,800
OPERATING SUBTOTAL	2,085,900	2,085,900		2,085,900
SPECIAL LINE ITEMS				
Arizona Transfer Articulation Support System	213,700	213,700		213,700
Student Financial Assistance	2,251,200	2,251,200		2,251,200
Western Interstate Commission Office	103,000	103,000		103,000
WICHE Student Subsidies	2,770,800	2,908,100		2,908,100
AGENCY TOTAL	7,424,600	7,561,900		7,561,900
FUND SOURCES				
General Fund	7,424,600	7,561,900		7,561,900
SUBTOTAL – Appropriated Funds	7,424,600	7,561,900		7,561,900
Other Non-Appropriated Funds	52,799,300	60,331,000		58,154,300
Federal Funds	1,039,900	1,245,800		716,700
TOTAL - ALL SOURCES	61,263,800	69,138,700		66,432,900

CHANGE IN FUNDING SUMMARY

FY 2004 to FY 2005 JLBC

	\$ Change	% Change
General Fund	0	0.0%
Total Appropriated Funds	0	0.0%
Non Appropriated Funds	(2,705,800)	(4.4%)
Total - All Sources	(2,705,800)	(3.9%)

AGENCY DESCRIPTION — The Arizona Board of Regents (ABOR) board serves as the governing body for the 3 state universities.

PERFORMANCE MEASURES (Systemwide)	FY 2003	FY 2003	FY 2004	FY 2005
	Appropriation	Actual	Appropriation	Recommend.
• % of graduating seniors who rate their overall university experience as “good”/“excellent”	95	95	94	95
• % of full-time undergraduate students enrolled per semester in 3 or more primary courses with ranked faculty	82	78	74	75
• Average number of years taken to graduate for student who began as freshmen	4.9	4.7	4.7	4.7
• % of agency staff turnover	18.9	15.6	15.8	15.8
• Administration as a % of total cost	1.6	1.9	1.6	1.6

RECOMMENDED CHANGES FROM FY 2004

Operating Budget

The JLBC recommends \$2,085,900 from the General Fund for the operating budget in FY 2005. This amount is unchanged from FY 2004.

Special Line Items

Arizona Transfer Articulation Support System (ATASS)

The JLBC recommends \$213,700 from the General Fund for the Arizona Transfer Articulation Support System in FY 2005. This amount is unchanged from FY 2004. ATASS funding supports a joint initiative of the community colleges and universities to facilitate better course transfer articulation and to develop a shared statewide student and financial information database for enhancing reporting and accountability.

Student Financial Assistance

The JLBC recommends \$2,251,200 from the General Fund for Student Financial Assistance in FY 2005. This amount is unchanged from FY 2004. The monies in this line item provide matching funds to student financial aid surcharge fees collected for the Student Financial Aid Trust Fund as required pursuant to A.R.S. § 15-1642. The Student Financial Aid Trust Fund is used to provide immediate aid to students with verifiable financial need or unique need due to special circumstances. Fifty percent of monies received each year are set aside to create an endowment for future financial aid.

Western Interstate Commission Office

The JLBC recommends \$103,000 from the General Fund for the Western Interstate Commission Office in FY 2005. This amount is unchanged from FY 2004. The monies in this line item provide Arizona's annual pro rata share of administrative expenditures for Western Interstate Commission on Higher Education (WICHE) in accordance with A.R.S. § 15-1742.

WICHE Student Subsidies

The JLBC recommends \$2,908,100 from the General Fund for WICHE Student Subsidies in FY 2005. This amount is unchanged from FY 2004. The monies in this line item provide subsidies to Arizona students participating in the WICHE-Professional Student Exchange Program. Students choose careers in certain health care professions for which education is not offered at Arizona universities. These students receive their health care training at another western state public university and pay in-state tuition. The subsidy is the difference between the in-state and out-of-state tuition. All WICHE participants are required to practice in Arizona 1 year for each year of support, or repay the state one-half of all funds expended on their behalf, plus interest. Alternatively, participants may practice in an underserved Arizona community and receive 1 year of state service credit for each 6 months of practice.

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JLBC RECOMMENDED FORMAT — Operating Lump Sum with Special Line Items by Agency

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

The following table shows the 22:1 formula requirements for each university:

	Formula Requirement				
	Student Growth	FTEs	Funding	Tuition Offset	Net Requirement
ASU-Main	1,421	96.9	\$ 7,352,500	\$ (876,200)	\$ 6,476,300
ASU-East	362	24.6	1,876,200	(259,400)	1,616,800
ASU-West	633	43.2	3,265,900	(601,200)	2,664,700
NAU	(632)	(43.1)	(3,477,300)	3,584,300	107,000
UofA-Main	690	47.0	3,584,300	(1,231,000)	2,353,300
UofA-HSC	51	3.5	262,100	(85,300)	176,800
Total	2,525	172.1	\$12,863,700	\$ 531,200	\$13,394,900

The recommendation does not include funding for formula requirements.

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
Federal (No Fund Number/A.R.S. § 15-1620)		Non-Appropriated
Source of Revenue: Federal grants: Eisenhower Math/Science Education and Improving Teacher Quality.		
Purpose of Fund: To improve teaching skills of K-12 teachers.		
Funds Expended	1,039,900	1,245,800
Year-End Fund Balance	0	0
Regents Local (ASU Account/A.R.S. § 15-1621)		Non-Appropriated
Source of Revenue: Contributions from the 3 universities' local funds.		
Purpose of Fund: To supplement the operating budget of the Arizona Board of Regents.		
Funds Expended	664,400	579,400
Year-End Fund Balance	219,500	218,400

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
Technology and Research Initiative (No Fund Number/A.R.S. § 15-1648)		Non-Appropriated
Source of Revenue: Monies automatically appropriated to the fund from a 0.6% sales tax. That tax and the fund itself were authorized by voters through passage of Proposition 301 in the November 2000 General Election.		
Purpose of Fund: For technology and research (new economy) initiatives. Up to 20% of monies may also be used for capital projects, including debt service, related to new economy initiatives.		
Funds Expended	45,943,200	54,459,800
Year-End Fund Balance	4,634,800	0
Arizona Tobacco Litigation Settlement Fund (No Fund Number/A.R.S. § 5-522)		Non-Appropriated
Source of Revenue: Monies received from the Tobacco Litigation Master Settlement Agreement.		
Purpose of Fund: For the Arizona Health Education System.		
Funds Expended	2,065,500	2,000,000
Year-End Fund Balance	4,231,400	2,231,400
University Land (BRA3131/3132/3134/3136/A.R.S. § 15-1662)		Non-Appropriated
Source of Revenue: Agricultural and Mechanical Colleges Land Fund, Military Institutes Land Fund, University Land Fund, and Normal Schools Land Fund.		
Purpose of Fund: For the use of the universities and to provide matching monies for eminent scholars funding.		
Funds Expended	4,126,200	3,291,800
Year-End Fund Balance	56,800	0

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