

University of Arizona - Health Sciences Center

	FY 2023 ACTUAL	FY 2024 ESTIMATE	FY 2025 APPROVED
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	1,112.4	1,154.9	1,154.9 ^{1/}
Personal Services	53,305,700	62,504,000	62,504,000
Employee Related Expenditures	17,202,800	19,803,900	19,803,900
Professional and Outside Services	3,167,900	5,507,000	5,507,000
Travel - In State	49,000	38,700	38,700
Travel - Out of State	180,800	67,200	67,200
Other Operating Expenditures	8,480,700	12,538,200	12,538,200
Equipment	183,400	136,000	136,000
OPERATING SUBTOTAL	82,570,300	100,595,000	100,595,000 ^{2/}
SPECIAL LINE ITEMS			
Operating Budget Lump Sum Reduction	0	0	(1,469,300)
AZ Reach	0	500,000	0
Board of Medical Student Loans	0	2,000,000	0
Clinical Rural Rotation	353,600	353,600	353,600
Clinical Teaching Support	8,587,000	8,587,000	8,587,000
Fall Prevention Studies	0	1,000,000	0
Liver Research Institute	440,400	440,400	440,400
Phoenix Medical Campus	32,293,600	34,798,200	34,798,200
Telemedicine Network	1,670,000	1,670,000	1,670,000
AGENCY TOTAL	125,914,900	149,944,200	144,974,900 ^{3/4/}
FUND SOURCES			
General Fund	76,897,700	80,397,700	75,428,400 ^{5/6/}
Other Appropriated Funds			
University Collections Fund	49,017,200	69,546,500	69,546,500 ^{2/}
SUBTOTAL - Other Appropriated Funds	49,017,200	69,546,500	69,546,500
SUBTOTAL - Appropriated Funds	125,914,900	149,944,200	144,974,900
Other Non-Appropriated Funds			
Federal Funds	361,322,000	375,665,400	382,727,600
TOTAL - ALL SOURCES	696,980,100	743,742,600	750,198,000

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 201.4 GF and 88.6 OF FTE Positions funded from Special Line Items in FY 2025.
- 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, 2024 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 budget includes \$100,595,000 and 864.9 FTE Positions in FY 2025 for the operating budget. These amounts consist of:

	FY 2025
General Fund	\$42,576,900
University Collections Fund	58,018,100

These amounts are unchanged from FY 2024.

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.)*

Operating Budget Lump Sum Reduction

The budget includes a decrease of \$(1,469,300) from the General Fund in FY 2025 for a lump sum reduction. Agencies receiving a lump sum reduction will apply the reduction to the operating lump sum appropriation in the FY 2026 budget request submittal. Agencies have discretion in how the reduction in spending is achieved. The FY 2026 Baseline Book will incorporate the agency's planned reduction into the operating budget display.

AZ REACH

The budget includes no funding in FY 2025 for the AZ REACH program. Adjustments are as follows:

Remove One-Time Funding

The budget includes a decrease of \$(500,000) from the General Fund in FY 2025 for the elimination of one-time AZ REACH funding. AZ REACH coordinates acute medical care transfers in Arizona hospitals. A FY 2024 General Appropriation Act footnote requires funding to be used to provide transfers for hospitals with less than twenty beds.

Board of Medical Student Loans

The budget includes no funding in FY 2025 for the Board of Medical Student Loans. Adjustments are as follows:

Remove One-Time Funding

The budget includes a decrease of \$(2,000,000) from the General Fund in FY 2025 for the elimination of one-time the Board of Medical Student Loans funding. The board provides forgivable loans to Arizona medical students in exchange for practicing in rural and underserved areas of the state. UA's financial aid office provided administrative support to the board.

Clinical Rural Rotation

The budget includes \$353,600 and 5.2 FTE Positions from the General Fund in FY 2025 for the Clinical Rural Rotation program. These amounts are unchanged from FY 2024.

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 from the General Fund in FY 2025 for Clinical Teaching Support. This amount is unchanged from FY 2024.

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.

Fall Prevention Studies

The budget includes no funding in FY 2025 for Fall Prevention Studies. Adjustments are as follows:

Remove One-Time Funding

The budget includes a decrease of \$(1,000,000) from the General Fund in FY 2025 for the elimination of one-time fall prevention research studies funding.

Liver Research Institute

The budget includes \$440,400 and 6.5 FTE Positions from the General Fund in FY 2025 for the Liver Research Institute. These amounts are unchanged from FY 2024.

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 \$34,798,200 and 267.5 FTE Positions in FY 2025 for the Phoenix Medical Campus (PMC). These amounts consist of:

General Fund	23,269,800
University Collections Fund	11,528,400

These amounts are unchanged from FY 2024.

In addition to the monies appropriated in this line item, a General Appropriation Act footnote states legislative intent that \$8,000,000 from the UA Health Sciences Center operating budget appropriation be used to expand the College of Medicine Phoenix Campus and to develop and administer a primary care physician scholarship program at both the Phoenix and Tucson Campuses.

Telemedicine Network

The budget includes \$1,670,000 and 10.8 FTE Positions from the General Fund in FY 2025 for the Telemedicine Network. These amounts are unchanged from FY 2024.

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 2024 General Appropriation Act appropriated \$66,675,300 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 2024 to the Joint Legislative Budget Committee in June 2023, and UA incorporated the adjusted FY 2024 amounts as part of their FY 2025 budget submission. Accordingly, the estimated FY 2024 amount has been adjusted by 2,871,200 to \$69,546,500.

The FY 2024 FTE Position count has also been adjusted. The FY 2024 General Appropriations Act originally appropriated 1,112.4 FTE Positions in FY 2024 for the UA - HSC. The General Fund accounted for 561.0 FTE Positions and the University Collections Fund accounted for the remaining 551.4 FTE Positions. The estimated number of FY 2024 FTE Positions has been adjusted by 42.5 to 1,154.9. The General Fund accounts for 570.5 FTE Positions and the University Collections Fund accounts for the remaining 584.4 FTE Positions.