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# **University Funding**

## **Senate Education Committee**

### **January 15, 2025**



# Arizona University System

## - Total FY 2025 Funding

	\$ in M
General Fund	970.0
Tuition and Fee Revenues	4,452.5
Federal Grants	1,374.0
Auxiliary Fund (Housing, Bookstore, Athletics, etc.)	799.0
Restricted Funds (Excluding Federal Funds)	1,012.7
Other Non-Appropriated Funds	<u>1,290.5</u>
<b>Total</b>	<b>\$9,898.7</b>

# Arizona University System

## - FY 2025 One-Time Funding

	\$ in M
1) ASU Operating Funding	21.2
2) NAU Operating Funding	10.1
3) UA Operating Funding	14.7
4) Arizona Teacher's Academy	<u>1.0</u>
<b>Total</b>	<b>\$47.0</b>

# University Statutory Funding Adjustments

## - Arizona Financial Aid Trust

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- University operating budgets are not determined by a statutory funding formula.
- The Arizona Financial Aid Trust (AFAT) was established in 2007 to provide need-based financial aid to resident students.
- Statute requires the state to match collections on a 1% student tuition surcharge. The 2:1 state match has been suspended since 2009.
- The FY 2025 budget included \$10.0 million from the General Fund, which represents the appropriation prior to the formula suspension.

# University Statutory Funding Adjustments

## - Capital Funding

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- Capital Infrastructure Funds (CIF) were established in 2017 to fund 50% of the debt service on university bonding projects or cash for capital projects through FY 2043.
  - The annual appropriation increases annually by the lesser of 2.0% or inflation.
  - The universities have issued bonds for 11 projects and funded 8 cash projects with CIF appropriations.
- Research Infrastructure Program (RIF) was established in 2003 to fund lease-purchase payments on university research buildings through FY 2031.
  - The universities issued a total \$482.5 million in COPs for research buildings.
  - The annual appropriation is adjusted each year to match the current debt service payments.

# University Statutory Funding Adjustments

- FY 2026 Estimate (\$ in M)

	<b>AZ Financial <u>Aid Trust</u></b>	<b>Capital <u>Infrastructure</u></b>	<b>Research <u>Infrastructure</u></b>
ASU	6.0	13.3	13.5
NAU	1.3	5.0	4.9
UA	<u>2.7</u>	<u>11.8</u>	<u>14.2</u>
<b>Total</b>	<b>10.0</b>	<b>30.1</b>	<b>32.6</b>

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# Appendix

# Undergraduate Student Tuition/Fee Rates

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	Resident Undergraduate		Non-Resident Undergraduate	
	<u>'25 Tuition</u>	<u>Annual Increase</u>	<u>'25 Tuition</u>	<u>Annual Increase</u>
ASU	\$12,223	1.4%	\$33,139	2.9%
NAU	\$13,009	2.8%	\$29,881	3.4%
UA	\$13,915	2.2%	\$42,267	2.9%

- ASU has an international student rate of \$36,175
- NAU has an international student rate of \$30,881

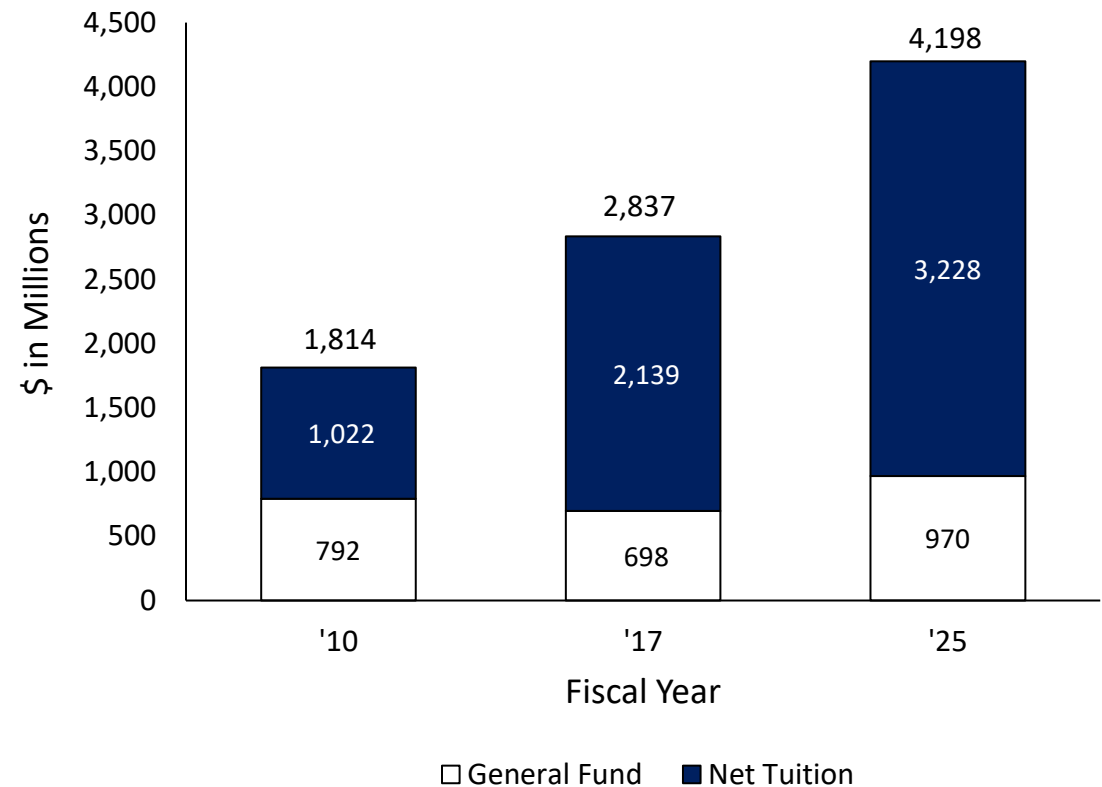


# Tuition Revenue Offsets General Fund Loss

From FY 2010 to FY 2025:

- General Fund support increased 22%, compared to 216% increase in net tuition collections
- Total grew from \$1.81 B to \$4.19 B (131%)
- Enrollment grew from 122,734 to 221,564 (81%)
- Inflation adjusted per student spending declined

General Fund + Net Tuition



# \$3.59 Billion in Financial Aid Helps Offset Costs

- Grants: \$1.96 Billion
- Loans: \$1.25 Billion
- Employment: \$389 Million

Total FY 2023 Aid: \$3.59 Billion

