



**ABOR System Office  
FY 2023 Annual Budget**

**Introduction and Background**

The proposed Arizona Board of Regents FY 2023 budget is \$49.3 million. The budget is comprised of ABOR programs and pass-through funds of \$39.6 million, and ABOR operating expenses of \$9.8 million.

**FY 2023 Budget**

The FY 2023 portion of programs and pass-through funds represents a decrease of \$1.7 million, or 4%, that is primarily due to remaining one-time funds from Proposition 207 (marijuana funds) for the Arizona Teachers Academy.

The FY 2023 operating budget represents an increase \$1.6 million, or 20%. The operating budget will support increased staffing related to:

- Expansion of advocacy efforts;
- Implementation of attainment initiatives and partnerships;
- Continued buildout of the board office data collection, analysis and reporting section (to support the board, as well as the expanded advocacy and attainment activities);
- Annualized costs of expanding the Academic Affairs and Legal sections; and
- General board office support.

The last table shows the revenues and expenses related to direct operating expenses.

**ABOR OPERATING BUDGET**  
**FY 2023 (WITH FY 2022 COMPARATIVE BUDGET DATA)**  
(\$ millions)

	FY 2023	FY 2022	FY 2022	VARIANCE BETWEEN		VARIANCE BETWEEN	
	BUDGET	ESTIMATE	BUDGET	FY 2023 BGT & FY 2022 EST		FY 2022 EST & FY 2022 BGT	
<b>Revenues</b>							
State General Fund Appropriation	\$30.0	\$29.5	\$29.9	\$0.5	1.6%	(\$0.4)	-1.4%
GF - Commission for Postsecondary Education to ABOR	\$1.3	\$1.3	\$1.3	\$0.0	0.0%	\$0.0	0.0%
GF - Transfer out from ACPE AZ Teacher Student Loan Program (Private School Students)	\$0.4	\$0.4	\$0.4	\$0.0	0.0%	\$0.0	0.0%
GF - Transfer-out: state appropriations: ATA, AZ Promise, Adaptive Athletics, DC Internships	(\$22.3)	(\$22.2)	(\$23.0)	(\$0.1)	0.2%	\$0.7	-3.2%
				\$0.0	--	\$0.0	--
<b>Total General Fund Appropriation</b>	<b>\$9.3</b>	<b>\$8.9</b>	<b>\$8.6</b>	<b>\$0.4</b>	<b>4.6%</b>	<b>\$0.3</b>	<b>648.1%</b>
						\$0.0	--
Tuition and Fees				\$0.0	--	\$0.0	--
less Scholarship Allowance				\$0.0	--	\$0.0	--
Net Tuition and Fees	\$0.0	\$0.0	\$0.0	\$0.0	--	\$0.0	--
Grants & Contracts -- Research	\$0.2	\$0.2		\$0.0	10.1%	\$0.2	--
Financial Aid Grants (Primarily Federal Pell Grants)	\$1.1	\$1.1	\$0.0	\$0.0	0.0%	\$1.1	--
Higher Education Emergency Relief (HEERF) -- Student	\$0.0	\$0.0		\$0.0	--	\$0.0	--
Higher Education Emergency Relief (HEERF) -- Institutional/Other	\$0.0	\$0.0		\$0.0	--	\$0.0	--
Private Gifts	\$0.0	\$0.0		\$0.0	--	\$0.0	--
Technology & Research Initiative Fund (TRIF)	\$2.0	\$2.0	\$2.0	\$0.0	0.0%	\$0.0	0.0%
Auxiliary Revenues, Net	\$0.0	\$0.0		\$0.0	--	\$0.0	--
Other Revenues	\$5.8	\$5.5	\$5.9	\$0.3	5.8%	(\$0.4)	-7.2%
Total Other Revenues	\$9.1	\$8.7	\$7.9	\$0.3	3.8%	\$0.8	10.7%
<b>Total Revenues</b>	<b>\$18.4</b>	<b>\$17.7</b>	<b>\$16.5</b>	<b>\$0.7</b>	<b>4.2%</b>	<b>\$1.1</b>	<b>6.9%</b>
<b>Expenses</b>							
Salaries and Wages	\$5.2	\$4.1	\$4.1	\$1.1	28.2%	(\$0.0)	-1.1%
Benefits	\$2.0	\$1.6	\$1.4	\$0.4	27.0%	\$0.2	11.5%
All Other Operating	\$3.1	\$3.0	\$4.4	\$0.1	3.3%	(\$1.4)	-31.2%
HEERF Student Grants				\$0.0	--	\$0.0	--
Other Financial Assistance/Pass-through Funds	\$14.8	\$16.4	\$6.3	(\$1.6)	-9.7%	\$10.1	161.0%
AZ Promise Marketing/Administration	\$0.2	\$0.2	\$6.3	\$0.0	0.0%	(\$6.1)	-96.4%
Interest on Indebtedness	\$0.0	\$0.0	\$6.3	\$0.0	--	(\$6.3)	-100.0%
Depreciation	\$0.0	\$0.0	\$6.3	\$0.0	--	(\$6.3)	-100.0%
Pension Liability/OPEB (GASB 68 & GASB 45)	\$0.0	\$0.0	\$0.0	\$0.0	--	\$0.0	--
Other Expenses	\$1.7	\$1.7	\$1.7	\$0.0	0.0%	\$0.0	0.8%
<b>Total Expenses</b>	<b>\$27.1</b>	<b>\$27.0</b>	<b>\$36.8</b>	<b>\$0.1</b>	<b>0.2%</b>	<b>\$0.1</b>	<b>2602.5%</b>
<b>Net Increase</b>	<b>(\$8.7)</b>	<b>(\$9.3)</b>	<b>(\$20.3)</b>	<b>\$0.7</b>	<b>-7.3%</b>	<b>\$10.9</b>	<b>-53.9%</b>

**ABOR Operating Budget**

	<u>FY 2023 BGT</u>	<u>FY 2022 EST</u>
Carryforward	\$1,317,281	\$1,576,947
Revenue		
General Fund	\$2,455,400	\$2,421,300
University Assessment	\$3,372,000	\$3,372,038
TRIF	\$2,000,000	\$1,553,004
Other	\$340,000	\$585,094
Total Revenue	<u>\$8,167,400</u>	<u>\$7,931,436</u>
Expenses		
Personal Services	\$5,179,130	\$4,056,367
ERE	\$1,983,269	\$1,561,503
Professional Services	\$1,495,710	\$1,493,910
Other Operating Expenses	\$1,130,805	\$1,079,322
Total Expenses	<u>\$9,788,914</u>	<u>\$8,191,102</u>
BALANCE	(\$304,233)	\$1,317,281
Structural Deficit	<u><u>(\$1,621,514)</u></u>	<u><u>(\$259,666)</u></u>