

Regents to Discuss Budget Proposals, Construction Projects

University Communications
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The Arizona Board of Regents will consider the 2018 annual budgets for the three state universities during this week's meeting at Northern Arizona University — the first for new University of Arizona President **Robert C. Robbins**.

Total revenues for the universities are projected to be \$5.2 billion — an increase of \$199.8 million over the 2017 budget.

State general fund appropriations of \$704.8 million make up 13 percent of the total 2018 budget — \$6.4 million more than in 2017. Combined with net tuition and fee revenues of \$2.2 billion, these two sources make up nearly 56 percent of the total budget.

The UA is projecting \$2.1 billion in total revenue for the 2018 fiscal year, a 1.7 percent bump from 2016. Net tuition and fees totaling \$663.6 million and research grants and contracts totaling \$661.4 million — a \$22.5 million increase from last year — account for nearly 63 percent of the UA's total revenue.

The UA's base budget for FY18 stands at \$1.16 billion, which accounts for employee and staff salaries, benefits, enrollment growth-related expenditures and various other administrative costs.

The budget, developed with input from student leaders, faculty, staff and administration, supports the key metrics outlined in the University's strategic plan.

Capital Development Plans

The regents also will evaluate the UA's capital development plan, which includes five new major projects and two previously approved projects with a total budget of \$386.5 million.

Gov. Doug Ducey and the state Legislature recently approved a plan to allow the state's universities to borrow up to \$1 billion to finance deferred maintenance projects. The UA's first proposed renovation under this plan is to spend \$18 million to upgrade the Veterinary Sciences and Microbiology building — home to the School of Animal and Comparative Biomedical Sciences. The budget will go toward improving a number of HVAC, plumbing, electrical and architectural deficiencies.

Also among the proposed projects is a \$157 million public-private partnership for the UA to build an Honors College complex, which includes a 1,052-bed residence hall, a dining hall, recreation facility, office space and a parking garage.

The UA has also budgeted \$71 million for new construction and renovations to the Student Success District — an integrative approach to supporting student achievement by weaving together revitalized academic and support services in upgraded facilities. Plans call for nearly 30 percent of the budget, or \$20 million, to be paid for through philanthropy.

The UA College of Pharmacy's Skaggs Building is seeking \$31.5 million for renovations. This project, located at the northeast corner of Mabel Street and Warren Avenue, would include a new two-story addition and renovation of existing building space to provide approximately 43,000 square feet of modern research labs and associated support space. In March, The ALSAM Foundation provided a **\$10 million challenge grant** ^[1] to the UA College of Pharmacy, the largest commitment in the history of the college.

The UA is also requesting \$30 million for upgrades to UA Health Sciences Building 201, which will be renovated to provide the administrative and ancillary support space associated with departments that are required to vacate Banner Health property during construction.

Other items on the **regents' agenda** ^[2] (PDF) include:

- The UA is proposing one new academic program for the 2017-18 academic year — an MS in marketing through the Eller College of Management.
- The regents will discuss the UA's proposal to exchange UA land with floodplain restrictions for Pima County Flood Control District land that would enhance any future development of the UA West Campus Agricultural Center.
- The UA requests approval to sell 11.5 acres, along with easements, to Sierrita Gas Pipeline for a compressor station to serve an existing natural gas pipeline.
- The UA will seek to finance and purchase five parcels of land, totaling 67,476 square feet, north of the Phoenix Biomedical Campus.
- The board will be asked to approve the 2021-22 academic calendars for the three state universities.

[1] <http://www.pharmacy.arizona.edu/features/press-releases/college-kicks-315-million-skaggs-challenge> [2]
<https://public.azregents.edu/Shared%20Documents/June%202017%20Board%20Book.pdf>