

EXECUTIVE SUMMARY

Item Name: **Approval of Revised TRIF 3-Year Budget**

 Action Item

Requested Action: The board office asks the board to approve the revised TRIF 3-year budget as contained in this executive summary.

Background/History of Previous Board Action

Arizona law established TRIF from Proposition 301 state sales tax revenue and gives ABOR the authority to administer the fund on universities' behalf.

Discussion

TRIF revenue is budgeted to support the initiatives, programs and activities that advance the goals and objectives expressed in A.R.S §15-1648, the Governor's Task Force on Higher Education's reports and recommendations, board directives and applicable policy.

TRIF revenue estimates drive the budgetary process. In developing its multi-year estimates, the board office looks to the JLBC Finance Advisory Committee's ("FAC") four-sector consensus revenue projections. These revenue estimates may be revised from time to time as updated FAC projections become available.

Further revised TRIF budgets will be brought to the board for approval in the event of a necessary adjustment based on revised revenue estimates.

TRIF revenue received in excess of the projected estimates will be placed into the Opportunity Initiatives fund for the coming fiscal year. Similarly, if the board receives revenue less than projected estimates, Opportunity Initiatives funding will be reduced to match the loss in revenue received.

TRIF revenues are budgeted in the following areas:

- **ABOR Office Operating** – TRIF funding allocated to the board office for operating expenditures in support of administrative oversight and reporting and specific board initiatives, programs and infrastructure and activities designed to support and promote the board's TRIF goals and initiatives.

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- **Arizona Innovation Alliance Support** – TRIF Funds Allocated to the Arizona Innovation Alliance to support and improve access to higher education and Arizona Student Attainment.
- **Base Allocation Funding** – TRIF funds allocated to support the universities' board approved 3-Year TRIF Plans. The Base Allocation Funding is awarded 40 percent to Arizona State University, 40 percent to the University of Arizona and 20 percent to Northern Arizona University.
- **General Education Assessment Support** – TRIF Funds allocated to the board office and the universities to help design and administer the general education assessments in support of improving student and workforce outcomes.
- **Health Sciences and Workforce Analysis** – TRIF funds allocation to support analysis and identifying factors that contribute to the success of the current structure/model and challenges that may limit its opportunities within Arizona's existing health care landscape and workforce.
- **Opportunity Initiatives Funding** – available TRIF funding the board allocates on a year-by-year and university-by-university basis to support board priorities in research and improving Arizona workforce and higher education access.
- **Phoenix Biomedical Campus Support** – TRIF Funds allocated to support the PBC in its research, technology transfer and workforce development efforts.
- **Regents Grants Funding** – TRIF funding allocated to a grant funding process designed to address key Arizona issues and problems by leveraging Arizona's public universities' research talent and assets.
- **Sun Corridor Technology Support Payment** – TRIF funds allocated in support of the sun corridor technology needs to provide time and place bound students greater educational access.

The board budget funds on a 3-year fiscal calendar year basis.

The projected 3-year TRIF budget allocation for FY 2022-2024 is attached to this executive summary.

Committee Review and Recommendation

The Research and Health Sciences Committee reviewed this item at its January 27, 2022 meeting and recommended forwarding the item to the full board for approval.

Statutory/Policy Requirements

A.R.S. §15-1648 "Technology and Research Initiative Fund"

ABOR Policy 3-412 "Administration of Technology and Research Initiative Fund"

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TRIF 3-Year Budget Allocation (Millions)

	FY 2022	FY 2023	FY 2024
Revenue			
Carryforward	\$31.8	-	-
Revenue	\$122.5	\$126.8	\$133.0
Total Available	\$154.3	\$126.8	\$133.0
Allocations			
General Education Assessment	\$0.3	\$0.3	\$0.3
Phoenix Biomedical Campus	\$0.5	\$0.5	\$0.5
Arizona Innovation Alliance	\$0.7	\$0.7	\$0.7
Health Sciences and Workforce Analysis	\$3.5	\$1.6	\$1.6
ABOR Office	\$2.0	\$2.0	\$2.0
Sun Corridor Technology Support Payment	\$3.0	-	-
Board Attainment and Workforce Initiatives	\$5.0	-	-
ASU TRIF Opportunity Initiatives	\$10.0	-	-
UArizona Opportunity Initiatives	\$10.0	-	-
Regents Research Grant Funding	\$12.0	\$12.0	\$12.0
NAU Base Allocation Funding	\$17.0	\$17.0	\$17.0
NAU TRIF Opportunity Initiatives	\$20.0	-	-
ASU Base Allocation Funding	\$33.9	\$33.9	\$33.9
UArizona Base Allocation Funding	\$33.9	\$33.9	\$33.9
Future Opp. Initiative Funds for Bd Allocation	\$2.5	\$24.9	\$31.1
Total Allocations	\$154.3	\$ 126.8	\$133.0