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3-606 Allocation of Land Fund Income, Redesignation and Reallocation of University Trust Land

A. All income derived from those land funds specified in A.R.S. ' 15-1662 and appropriated to the Board for each fiscal year, shall be allocated among the universities as follows:

1. Universities Land Fund

Beginning with the 1998-99 fiscal year, the universities land fund shall be known as the eminent scholars matching grant fund as that term is defined in A.R.S. §15-1663B. The eminent scholars matching grant fund shall be allocated proportionately among the three universities based upon the total student credit hours in the Fall of the previous fiscal year, from the university's fall 21-day enrollment report.

- a. For fiscal years 2015-2016 through 2024-2025, any increase in expendable earnings that results from a distribution of more than two and one-half percent due to proposition 123 (2016) may be used for educational and general expenses, as specified by the proposition.
- b. The distribution up to two and one-half percent will continue to provide matching funds for the eminent scholars program.

2. Normal School Land Fund

The income shall be allocated equally among the three universities.

3. Agricultural and Mechanical Colleges Land Fund

- a. One-half of the income shall be allocated to the University of Arizona.
- b. One-half of the income shall be allocated proportionately among the three universities based upon the student credit

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hours in the fall of the previous fiscal year generated in engineering programs at each university.

4. School of Mines Land Fund

The income shall be allocated solely to the University of Arizona.

5. Military Institutes Land Fund

The income shall be allocated proportionately among the three universities based upon the student credit hours in the fall of the previous fiscal year generated in ROTC or military science programs at each university.

B. Redesignation of trust lands, the revenue of which benefits, or would upon redesignation benefit, an Arizona public university (“university trust land”) shall be subject to the following:

1. Any university request for redesignation of university trust land must be approved by the Board.
2. Any redesignation must be for land of equal value.
3. Any redesignation must follow the Arizona State Land Department appraisal or other comparable evaluation processes deemed necessary by the Board.
4. The use resulting from any redesignation must support the education or research missions of the university requesting the redesignation.
5. Any revenue derived from lands involved with the redesignation must be distributed in accordance with Section A of this Policy and Arizona law.
6. A university receiving or proposed to receive the benefit of the redesignation must provide the Board and the other two universities with advance notice and information required by the Board

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Guidelines to afford full understanding and collaboration among the universities.

- C. The reallocation of trust land for use of a single university shall be subject to the following:
1. The Board may approve a proposal that university trust land held for the benefit of more than one university can be used by just one university (“reallocation”), provided the university uses the property solely for its educational or research mission and complies with state statute, Board policy and Board guidelines.
  2. The Board shall determine, in accordance with state statute, Board Policy, and Board guidelines, whether compensation, if any, from the university receiving the benefit of the reallocated land is due to the universities losing benefit of the reallocated land.
  3. A university receiving or proposed to receive the benefit of the reallocation must provide the Board and the other two universities with advance notice and information required by the Board guidelines to afford full understanding and collaboration among the universities.