

President: Michael Crow, Ph.D.

JLBC Analyst: Lorenzo Martinez

	FY 2002 Actual	FY 2003 Estimate	FY 2004 Approved
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	285.0	294.0	294.0
Personal Services	11,417,200	12,760,400	12,760,400
Employee Related Expenditures	2,194,300	2,625,200	2,667,700
Professional and Outside Services	402,800	434,100	434,100
Travel - In State	20,200	19,500	19,500
Travel - Out of State	121,900	12,600	12,600
Other Operating Expenditures	2,240,600	2,980,800	3,073,800
Library Acquisitions	144,500	152,500	152,500
Equipment	1,040,900	418,000	418,000
OPERATING SUBTOTAL	17,582,400	19,403,100	19,538,600
SPECIAL LINE ITEMS			
Lease-Purchase Payment	1,400,000	2,000,000	2,000,000
AGENCY TOTAL	18,982,400	21,403,100	21,538,600^{1/2/3/}
FUND SOURCES			
General Fund	12,971,200	12,425,600	12,425,600
<u>Other Appropriated Funds</u>			
Technology and Research Initiative Fund	1,400,000	2,000,000	2,000,000
University Collections Fund	4,611,200	6,977,500	7,113,000
SUBTOTAL - Other Appropriated Funds	6,011,200	8,977,500	9,113,000
AGENCY TOTAL	18,982,400	21,403,100	21,538,600

AGENCY DESCRIPTION — Established as a separate budget unit in 1994, Arizona State University - East Campus offers baccalaureate, masters, and non-degree programs to approximately 2,100 students at a 600-acre site in southeast Mesa, location of the former Williams Air Force Base.

1/ The appropriated monies are not to be used for scholarships. (General Appropriation Act footnote)

2/ Any unencumbered balances remaining in the collections account on June 30, 2003 and all collections received by the university during the fiscal year, when paid into the State Treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the Permanent Land Funds are appropriated in compliance with the Enabling Act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the State Treasury, together with any unencumbered balance in the summer session account, are hereby appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above. Within 10 days of the acceptance of the universities' semiannual all funds budget reports, the Arizona Board of Regents shall inform the Joint Legislative Budget Committee of any tuition revenue amounts that are different from the amounts appropriated by the Legislature and shall submit an expenditure plan for any tuition revenue amounts that are greater than the appropriated amounts to the Joint Legislative Budget Committee for its review. (General Appropriation Act footnote)

3/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

PERFORMANCE MEASURES	FY 2002 Appropriation	FY 2002 Actual	FY 2003 Appropriation	FY 2004 Appropriation
• % of graduating seniors who rate their overall university experience as “good”/“excellent”	90	94	91	95
• % of full-time undergraduate students enrolled per semester in 3 or more primary courses with ranked faculty	75	71	78	71
• Number of degrees granted:	520	420	650	--
Bachelor’s	450	348	570	--
Master’s	70	72	80	--
• Average number of years taken to graduate for student who began as freshmen	4.8	5.4	4.8	5.4
• Fall semester enrollment (headcount)	2,450	2,403	3,150	--
• % of agency staff turnover	10.3	3.4	10.3	3.8
• Administration as a % of total cost	4.7	5.6	3.9	3.9

Technical Adjustments — The FY 2004 approved amount includes technical adjustments for Employee Related Expenditures. *(Please see the General Provisions section at the end of this Appropriations Report for further details on these changes.)*

Enrollment Collections — The approved amount includes a Collections Fund increase of \$93,000 above FY 2003 to reflect higher tuition and fee collections resulting from increased enrollment.

Enrollment Growth — The approved amount does not provide formula funding for changes in student enrollment in FY 2004. The student enrollment funding formula is based on a comparison of 3-year rolling weighted averages from year to year. The funding formula of 22:1:0.5 increases or decreases funding for 1 faculty and 0.5 support FTE Positions for every 22 student increase or decrease in the enrollment formula.

ASU-East and ASU-West were not scheduled to receive formula funding until each individual campus reached a student FTE enrollment of 5,000. However, given enrollment demand and uncertainty associated with specific program development funding for these campuses, the Legislature did consider initiating formula funding for these campuses consistent with the other university campuses.

Based on the formula, \$1,620,500 and 21.8 FTE Positions would have been required for FY 2004 student enrollment changes. This amount would have been offset by the estimated increase in enrollment collections of \$(93,000) for a net required increase of \$1,527,500. *Table 1* shows the student enrollment since FY 2002.

	<u>Actual</u>	<u>Formula</u>	<u>Funded</u>
FY 2002	1,542	NA	NA
FY 2003	1,976	1,557	NA
FY 2004	(est.)2,014	1,877	NA

Special Line Items

Lease-Purchase Payment — Education 2000 (Laws 2000, Chapter 1, 5th Special Session) appropriated a total of \$1,400,000 in FY 2002 from the Technology and Research Initiative (TRI) Fund for the first year lease-purchase costs of expanding the Arizona State University East campus. Education 2000 also included legislative intent to have future lease-purchase payment requirements appropriated from the TRI Fund. The required lease-purchase payment for FY 2004 is \$2,000,000.

[Click here to return to the Table of Contents](#)