

Arizona State University - East Campus

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DESCRIPTION	FY 2007 ACTUAL	FY 2008 ESTIMATE	FY 2009 JLBC
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	491.0	546.0	610.3
Personal Services	22,892,400	28,894,500	33,408,700
Employee Related Expenditures	6,151,400	7,094,500	8,114,700
Professional and Outside Services	1,727,600	2,290,300	2,290,300
Travel - In State	32,800	38,700	49,700
Travel - Out of State	218,300	51,600	88,400
Other Operating Expenditures	2,482,500	3,940,000	7,929,300
Library Acquisitions	218,600	308,100	308,100
Equipment	2,805,700	3,719,600	4,054,300
OPERATING SUBTOTAL	36,529,300	46,337,300	56,243,500
SPECIAL LINE ITEMS			
Research Infrastructure Lease-Purchase Payment	0	917,000	917,000
TRIF Lease-Purchase Payment	2,000,000	2,000,000	2,000,000
AGENCY TOTAL	38,529,300	49,254,300	59,160,500
FUND SOURCES			
General Fund	19,980,900	25,915,900	32,009,300
<u>Other Appropriated Funds</u>			
Technology and Research Initiative Fund	2,000,000	2,000,000	2,000,000
University Collections Fund	16,548,400	21,338,400	25,151,200
SUBTOTAL - Other Appropriated Funds	18,548,400	23,338,400	27,151,200
SUBTOTAL - Appropriated Funds	38,529,300	49,254,300	59,160,500
Other Non-Appropriated Funds	10,460,400	9,498,400	9,693,100
Federal Funds	2,805,600	3,088,900	3,397,800
TOTAL - ALL SOURCES	51,795,300	61,841,600	72,251,400
CHANGE IN FUNDING SUMMARY			
	<u>FY 2008 to FY 2009 JLBC</u>		
	<u>\$ Change</u>	<u>% Change</u>	
General Fund	6,093,400	23.5%	
Other Appropriated Funds	3,812,800	16.3%	
Total Appropriated Funds	9,906,200	20.1%	
Non Appropriated Funds	503,600	4.0%	
Total - All Sources	10,409,800	16.8%	
AGENCY DESCRIPTION — Established as a separate budget unit in 1994, Arizona State University - East Campus (ASU-East), also known as the Polytechnic Campus, currently offers 30 professional and technical baccalaureate, masters, and non-degree programs to over 6,500 full- and part-time students. It is located at the 600-acre site of the former Williams Air Force Base in southeast Mesa.			

PERFORMANCE MEASURES	FY 2005	FY 2006	FY 2007	FY 2009
	Actual	Actual	Actual	JLBC
• % of graduating seniors who rate their overall university experience as “good”/“excellent”	95	97	96	97
• % of full-time undergraduate students enrolled per semester in 3 or more primary courses with ranked faculty Comments: Ranked faculty includes all instructors with the exception of unpaid volunteers and graduate students. Therefore, this measure does not address undergraduate student contact with professors.	67	63	66	68
• % of full-time undergraduate students enrolled per semester in 3 or more primary courses with professors of any rank Comments: Professors of some rank taught 34% of undergraduate primary class sections at ASU-East in FY 2007.	--	25	23	27
• Average number of years taken to graduate for students who began as freshmen Comments: The majority of ASU-East students are enrolled in technology based programs. Because these students typically take between 5 and 5.5 years to graduate, the reported average number of years to graduate is higher at ASU-East than at other university campuses, with the exception of FY 2006, which ASU reports was an anomaly.	5.2	4.7	5.4	5.0

Operating Budget

The JLBC includes \$56,243,500 and 610.3 FTE Positions for the operating budget in FY 2009. This amount consists of:

General Fund	\$31,092,300
University Collections Fund	25,151,200

FY 2009 adjustments would be as follows:

Enrollment Growth	GF	6,023,500
	OF	3,812,800

This adjustment would be an increase of \$9,836,300 and 63.6 FTE Positions in FY 2009 for enrollment growth. This amount consists of:

General Fund	6,023,500
University Collections Fund	3,812,800

These amounts would fund projected growth in student enrollment, as calculated by the part-statutory, part-conventional student enrollment funding formula. Projected formula enrollment is growing by 800 full-time equivalent (FTE) students, to 4,311 FTE students in FY 2009.

A.R.S. § 15-1661 codifies, for all state universities, the first calculation of the enrollment funding formula. This first step derives student enrollment, in units of FTE students, by weighing total earned credit hours according to 3 different academic levels. These weights are summarized below:

Academic Level	Credit Hours/FTE
Lower-Division Undergraduate	15
Upper-Division Undergraduate	12
Graduate and Professional	10

The second calculation of the enrollment funding formula, which does not appear in statute, projects student enrollment for the next academic year based on a weighted rolling average of the next, current, and prior academic years, with the current academic year receiving double the weight of each of the other 2 years. The third calculation, which also does not appear in statute, adds or subtracts 1 faculty and 0.75 support FTE Positions, and their associated General Fund costs, for every 22-FTE-student change. The average salary per FTE is \$70,200, as requested by the university and adjusted for Employee Related Expenditures.

Since enrollment growth also contributes to an increase in university tuition and fee collections, the University Collections Fund amount reflects these additional revenues.

Credit Hour Threshold GF 69,900

This adjustment would be an increase of \$69,900 and 0.7 FTE Position from the General Fund in FY 2009 to add funding for 9.3 fewer ASU-East students being over the credit hour threshold between FY 2008 and FY 2009.

A.R.S. § 15-1661 prohibits funding state university students who have earned credit hours in excess of a credit hour threshold, with certain exceptions. Meanwhile, A.R.S. § 15-1626 allows the Arizona Board of Regents (ABOR) to raise tuition rates for those students.

This threshold was 150 hours in FY 2008 and declines to 145 hours in FY 2009. ASU-East reported 16.4 FTE students over the threshold in FY 2007 and 7.1 FTE

students in FY 2008, or a net decrease of (9.3) FTE students over the credit hour threshold at ASU-East in FY 2008. The net decrease is the result of students graduating who were over the threshold from the previous fiscal year.

Research Infrastructure Lease-Purchase Payment

The JLBC includes \$917,000 from the General Fund for the Research Infrastructure Lease-Purchase Payment Special Line Item in FY 2009. This amount is unchanged from FY 2008.

Laws 2003, Chapter 267 appropriated a total of \$34,600,000 from the General Fund to the state university system from FY 2008 through FY 2031 to finance lease-purchase payments for research infrastructure project agreements entered into before July 1, 2006. Therefore, this funding will not appear in the General Appropriation Act. In total, the universities have issued \$482,500,000 in Certificates of Participation (COPs) for research infrastructure projects. Of this amount, ASU-East has issued \$19,000,000 in COPs for the Interdisciplinary Science & Technology Building II, which is now complete.

TRIF Lease-Purchase Payment

The JLBC includes \$2,000,000 from the Technology and Research Initiative Fund (TRIF) for lease-purchase payment requirements in FY 2009. This amount is unchanged from FY 2008.

Laws 2000, 5th Special Session, Chapter 1 appropriated \$1,400,000 from TRIF to make the initial lease-purchase payment in FY 2002 on \$27,500,000 in infrastructure development at ASU-East. This session law also included the legislative intention to appropriate future lease-purchase payments from TRIF. The payment schedule runs through FY 2021.

ASU-East renovated or newly constructed 6 buildings. Additionally, the campus made roadway, pedestrian, and landscape improvements, and installed lighting and emergency telephones. ASU-East expended all monies

from this lease-purchase by June 2005 and completed the project, with non-appropriated monies, by fall 2005.

The TRIF revenue source is an automatic appropriation of a portion of a 0.6% sales tax increase, authorized by voters through Proposition 301 in the November 2000 General Election. ABOR administers the fund.

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FORMAT — Operating Lump Sum with Special Line Items by Agency

FOOTNOTES

Standard Footnotes

The appropriated monies are not to be used for scholarships.

The appropriated monies are not to be used to support any student newspaper.

The state General Fund appropriations shall not be used for alumni association funding.

Any unencumbered balances remaining in the collections account on June 30, 2008 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 appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

SUMMARY OF FUNDS	FY 2007 Actual	FY 2008 Estimate
Auxiliary Fund (No Fund Number/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Sales revenues of substantially self-supporting university services.		
Purpose of Fund: To provide university-related non-academic services for students, faculty, staff, and the public. Auxiliary enterprises include student housing, bookstores, student unions, and intercollegiate athletics.		
Funds Expended	869,400	734,900
Year-End Fund Balance	463,200	489,600

SUMMARY OF FUNDS	FY 2007 Actual	FY 2008 Estimate
Designated Fund (No Fund Number/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Retained tuition and fees, summer session fees, student aid administrative allowances, and unrestricted gifts and grants.		
Purpose of Fund: To provide and administer student financial aid, to pay debt service on university bonds, and to run summer and winter session programs. The university designates monies in the fund into sub-accounts for specific purposes. Indirect Cost Recovery, a Designated Fund sub-account, is presented separately.		
Funds Expended	6,956,900	5,657,400
Year-End Fund Balance	8,666,700	11,340,500
Endowment and Life Income Fund (No Fund Number/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Interest income on invested endowment and life income gifts, a portion of financial aid trust fees assessed to students, and a portion of university trust land earnings.		
Purpose of Fund: To support endowment operations and compensate designated beneficiaries.		
Funds Expended	500	500
Year-End Fund Balance	927,500	1,346,500
Federal Grant Fund (No Fund Number/A.R.S. § 15-1666)		Non-Appropriated
Source of Revenue: Federal grants and contracts.		
Purpose of Fund: To support specific operating and research purposes as identified by the federal government.		
Funds Expended	2,805,600	3,088,900
Year-End Fund Balance	0	0
Federal Indirect Cost Recovery Fund (No Fund Number/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Federally sponsored research programs.		
Purpose of Fund: To assist and promote federally sponsored research.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Indirect Cost Recovery Fund (Non-Federal) (No Fund Number/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Non-federally sponsored research programs.		
Purpose of Fund: To assist and promote non-federally sponsored research.		
Funds Expended	0	0
Year-End Fund Balance	217,400	161,500
Restricted Fund (Excluding Federal Funds) (No Fund Number/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Private and non-federal grants, including non-appropriated Technology and Research Initiative Fund grants (please see the Arizona Board of Regents Summary of Funds) as well as a portion of financial aid trust fees assessed to students.		
Purpose of Fund: To support specific operating and research purposes as identified by the private or non-federal donating entities.		
Funds Expended	2,633,600	3,105,600
Year-End Fund Balance	911,500	862,200
Technology and Research Initiative Fund (No Fund Number/A.R.S. § 15-1648)		Appropriated
Source of Revenue: Automatic appropriations of a portion of a 0.6% sales tax, as authorized by voters through Proposition 301 in the November 2000 General Election and as governed by statute.		
Purpose of Fund: To make lease-purchase payments on certificates of participation used for technology and research capital projects.		
Funds Expended	2,000,000	2,000,000
Year-End Fund Balance	0	0

SUMMARY OF FUNDS	FY 2007 Actual	FY 2008 Estimate
University Collections Fund (ASA1411/A.R.S. § 15-1626)		Appropriated
Source of Revenue: Tuition and registration fees, as well as a portion of university trust land earnings.		
Purpose of Fund: To operate the university.		
Funds Expended	16,548,400	21,338,400
Year-End Fund Balance	0	0