

## Arizona State University - Tempe/DPC

	FY 2015 ACTUAL	FY 2016 ESTIMATE	FY 2017 BASELINE
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	6,142.9	6,552.6	6,552.6
Personal Services	399,828,900	410,189,100	410,189,100
Employee Related Expenditures	117,102,300	125,592,500	125,592,500
Professional and Outside Services	43,980,700	39,315,500	39,315,500
Travel - In State	176,700	26,000	26,000
Travel - Out of State	3,418,800	2,658,700	2,658,700
Other Operating Expenditures	35,728,200	49,977,900	53,723,400
Equipment	25,119,700	22,183,500	22,183,500
<b>OPERATING SUBTOTAL</b>	<b>625,355,300</b>	<b>649,943,200</b>	<b>653,688,700</b>
<b>SPECIAL LINE ITEMS</b>			
Biomedical Informatics	2,746,600	2,791,900	2,791,900
Downtown Phoenix Campus	122,968,000	127,166,100	127,166,100
Parity Funding	38,843,100	0	0
Research Infrastructure Lease-Purchase Payment	13,032,400	10,509,100	11,225,200
<b>AGENCY TOTAL</b>	<b>802,945,400</b>	<b>790,410,300</b>	<b>794,871,900</b>
<b>FUND SOURCES</b>			
General Fund	290,102,200	239,189,400	243,651,000
<u>Other Appropriated Funds</u>			
University Collections Fund	512,843,200	551,220,900	551,220,900
SUBTOTAL - Other Appropriated Funds	512,843,200	551,220,900	551,220,900
<b>SUBTOTAL - Appropriated Funds</b>	<b>802,945,400</b>	<b>790,410,300</b>	<b>794,871,900</b>
Other Non-Appropriated Funds	883,302,200	1,033,435,300	1,066,208,200
Federal Funds	281,606,600	286,349,700	286,349,700
<b>TOTAL - ALL SOURCES</b>	<b>1,967,854,200</b>	<b>2,110,195,300</b>	<b>2,147,429,800</b>

**AGENCY DESCRIPTION** — Established in 1885, Arizona State University (ASU) is one of 3 public universities governed by the Arizona Board of Regents (ABOR). As a primary research institution, ASU offers 308 Baccalaureate, Master's, Doctoral and first professional degree programs, and 95 undergraduate and graduate certificate programs to 73,168 full- and part-time students at its Tempe Campus. The Downtown Phoenix Campus (DPC), budgeted as a unit of the Tempe Campus, offers 73 degree programs and 24 certificate programs to 23,714 full- and part-time students.

### Operating Budget

The Baseline includes \$653,688,700 and 5,581.7 FTE Positions in FY 2017 for the operating budget. These amounts consist of:

	<b>FY 2017</b>
General Fund	\$217,002,700
University Collections Fund	436,686,000

FY 2017 adjustments would be as follows:

<b>Additional Resources</b>	<b>GF</b>	<b>3,745,500</b>
The Baseline includes an increase of \$3,745,500 from the General Fund in FY 2017 for ASU - Tempe/DPC's share of additional university resources. The 3-year budget plan		

associated with the enacted FY 2016 budget included \$8,200,000 in system-wide ongoing additional resources for the university system beginning in FY 2017. (Please see the Arizona Board of Regents (ABOR) section for more information.)

The \$217,002,700 General Fund amount for the operating budget includes \$2,000,000 that was appropriated for FY 2017 in the FY 2015 General Appropriation Act (Laws 2014, Chapter 18). As a result, these monies would not appear in the FY 2017 General Appropriation Act.

Student enrollment growth and tuition and fee increases for students will contribute to an increase in university tuition and fee collections. The University Collections Fund amount will ultimately be adjusted to reflect these

additional revenues. *(Please see the ABOR section for more information.)*

**Biomedical Informatics**

The Baseline includes \$2,791,900 and 14.9 FTE Positions in FY 2017 for the Biomedical Informatics Department. These amounts consist of:

General Fund	1,931,000
University Collections Fund	860,900

These amounts are unchanged from FY 2016.

This multidisciplinary department incorporates computer science, biology, and engineering to organize and analyze medical data. In 2014, Biomedical Informatics moved from the DPC to Mayo Clinic’s hospital in Phoenix.

**Downtown Phoenix Campus**

The Baseline includes \$127,166,100 and 956 FTE Positions in FY 2017 for programs headquartered at the DPC. These amounts consist of:

General Fund	13,492,100
University Collections Fund	113,674,000

These amounts are unchanged from FY 2016.

The DPC offers undergraduate and graduate programs in disciplines including health, nursing, journalism, mass communication, teaching and public programs. The campus opened in 2006 with 2,700 students and had a full-time student enrollment of 14,072 in fall 2015.

**Research Infrastructure Lease-Purchase Payment**

The Baseline includes \$11,225,200 from the General Fund in FY 2017 for the Research Infrastructure Lease-Purchase Payment line item. FY 2017 adjustments would be as follows:

<b>Refinance Adjustment</b>	<b>GF</b>	<b>716,100</b>
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The Baseline includes an increase of \$716,100 from the General Fund in FY 2017 to adjust anticipated savings associated with the refinancing of Certificates of Participation (COPs).

Laws 2003, Chapter 267 appropriated a total of \$34,625,000 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. The FY 2015

General Appropriation Act reduced the ASU research infrastructure appropriation of \$13,555,000 by \$(522,600) in FY 2015, \$(3,045,900) in FY 2016, and \$(2,329,800) in FY 2017.

Since this funding appears in Laws 2003, Chapter 267 and Laws 2014, Chapter 18, Section 134, this funding would not appear in the FY 2017 General Appropriation Act. In total, the universities have issued \$482,500,000 in COPs for research infrastructure projects. Of this amount, ASU - Tempe/DPC has issued \$187,200,000 in COPs.

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**FORMAT** — Operating Lump Sum with Special Line Items by Agency

**FOOTNOTES**

*Standard Footnotes (Please see the ABOR section for university-wide footnotes.)*

The appropriated monies may not be used by the Arizona State University College of Law Legal Clinic for any lawsuits involving inmates of the State Department of Corrections in which the state is the adverse party.

It is the intent of the Legislature that the state General Fund base funding for Arizona State University - Tempe and Downtown Phoenix Campuses is \$230,425,800. This appropriation includes a deferral of \$74,760,400 from FY 2017 to FY 2018. This deferral shall be paid as required in this act. *(Please see Other Issues for more information.)*

**Other Issues**

**FY 2016 Supplemental**

The FY 2017 Baseline would include a FY 2016 supplemental appropriation of \$2,283,200 from the General Fund to ASU for health insurance adjustments. This supplemental would be divided between all ASU campuses. In FY 2017, ASU’s appropriation would be further adjusted for the annualization of savings associated with lower employer contribution rates for health insurance. *(Please see the Health Insurance Trust Fund section in the ABOR narrative for more information.)*

**Payment Deferral**

The Baseline includes \$74,760,400 from the General Fund for FY 2016 payments that were deferred until FY 2017 and includes a FY 2017 General Fund payment deferral of \$(74,760,400) until FY 2018. These amounts constitute a portion of a \$200,000,000 university-wide payment

deferral. The payment deferral is unchanged from FY 2011. *(Please see the ABOR section for more information.)*

The FY 2017 General Fund Baseline is \$243,651,000. Of this amount:

- \$155,665,400 would be included in ASU - Tempe/DPC's individual section of the FY 2017 General Appropriation Act.
- \$74,760,400 was appropriated in the FY 2016 General Appropriation Act to reflect the deferral of FY 2016 monies to FY 2017.
- \$13,555,000 was appropriated in Laws 2003, Chapter 267 for a research infrastructure lease-purchase payment.
- \$(2,329,800) was reduced in Section 134 of the FY 2015 General Appropriation Act for Research Infrastructure savings.
- \$2,000,000 was appropriated by a footnote in the FY 2015 General Appropriation Act.

**University Collections and FTE Positions Adjustments**

The FY 2016 General Appropriation Act (Laws 2015, Chapter 8) appropriated \$516,159,500 from the University Collections Fund to ASU - Tempe/DPC in FY 2016. The Collections Fund for ASU - Tempe/DPC represents a portion of tuition, fees and a portion of land earnings. *(Please see ABOR Other Issues for more information.)* If collections exceed the appropriated amount, the annual General Appropriation Act includes a

footnote permitting the universities to expend those amounts as well and a separate footnote requiring the submission of a report detailing any adjustments to the appropriated amounts.

ABOR sets tuition in the spring (independent of the legislative process). Any revised tuition rates as well as changes in enrollment can result in collections exceeding the appropriated amount. The Universities reported the adjustments to the University Collections Fund for FY 2016 to the Joint Legislative Budget Committee in July 2015, and ASU incorporated the adjusted FY 2016 amounts as part of their FY 2017 budget submission. Accordingly, the FY 2016 amount in the Baseline has been adjusted upward by \$34,390,400 to \$551,220,900.

The Baseline also adjusts the number of FTE Positions in FY 2016 to align with General Fund and Collections Fund tuition revenue adjustments. Laws 2015, Chapter 8 originally appropriated 6,142.9 FTE Positions in FY 2016 for the ASU - Tempe/DPC Campus. The General Fund accounted for 1,845.3 FTE Positions and the University Collections Fund accounted for the remaining 4,297.6 FTE Positions. The Baseline increases the total amount of FY 2016 FTE Positions by 409.7 to 6,552.6. The General Fund accounts for 1,943.2 FTE Positions and the University Collections Fund accounts for the remaining 4,609.4 FTE Positions. The total number and fund sourcing of FTE Positions significantly increased because adjustments to FTE Positions have not been made in several years.

SUMMARY OF FUNDS	FY 2015 Actual	FY 2016 Estimate
<b>Auxiliary Fund (UNI8906/A.R.S. § 15-1601)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Sales revenues of substantially self-supporting university services.		
<b>Purpose of Fund:</b> 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.		
<b>Funds Expended</b>	141,820,500	151,651,800
<b>Year-End Fund Balance</b>	9,726,600	9,726,400
<b>Designated Fund (UNI8905/A.R.S. § 15-1601)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Retained tuition and fees, summer session fees, student aid administrative allowances, and unrestricted gifts and grants. Tuition and mandatory registration fees comprise \$366,073,700 and \$463,306,200 of the total FY 2015 and FY 2016 revenue, respectively.		
<b>Purpose of Fund:</b> 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.		
<b>Funds Expended</b>	578,260,500	708,551,400
<b>Year-End Fund Balance</b>	312,295,100	312,295,500

SUMMARY OF FUNDS	FY 2015 Actual	FY 2016 Estimate
<b>Endowment and Life Income Fund (UNI8904/A.R.S. § 15-1601)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> 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.		
<b>Purpose of Fund:</b> To support endowment operations and compensate designated beneficiaries.		
<b>Funds Expended</b>	1,398,900	0
<b>Year-End Fund Balance</b>	117,981,200	117,981,200
<b>Federal Grants (UNI8903/A.R.S. § 15-1666)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Federal grants and contracts.		
<b>Purpose of Fund:</b> To support specific operating and research purposes as identified by the federal government.		
<b>Funds Expended</b>	281,606,600	286,349,700
<b>Year-End Fund Balance</b>	0	0
<b>Indirect Cost Recovery Fund (Non-Federal) (UNI8900/A.R.S. § 15-1601)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Non-federally sponsored research programs.		
<b>Purpose of Fund:</b> To assist and promote non-federally sponsored research.		
<b>Funds Expended</b>	29,357,300	31,368,800
<b>Year-End Fund Balance</b>	1,026,400	1,026,300
<b>Loan Fund (UNI8901/A.R.S. § 15-1601)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Interest on federal student loans and reimbursements from federal loan forgiveness programs.		
<b>Purpose of Fund:</b> To provide one-third of the amount of federal student loans. The federal government provides the other two-thirds. The amounts displayed do not include an administrative allowance, which is reflected in the Designated Fund.		
<b>Funds Expended</b>	504,600	0
<b>Year-End Fund Balance</b>	13,727,800	13,727,800
<b>Restricted Fund (Excluding Federal Funds) (UNI8907/A.R.S. § 15-1601)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Private and non-federal grants, including non-appropriated Technology and Research Initiative Fund grants ( <i>please see the ABOR Summary of Funds</i> ), as well as a portion of financial aid trust fees assessed to students.		
<b>Purpose of Fund:</b> To support specific operating and research purposes as identified by the private or non-federal donating entities.		
<b>Funds Expended</b>	125,559,400	129,945,000
<b>Year-End Fund Balance</b>	47,996,800	46,682,400
<b>University Capital Improvement Lease-to-Own and Bond Fund (BRA3042/A.R.S. § 15-1682.03)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> University system revenues.		
<b>Purpose of Fund:</b> To pay annual debt service payments for the \$800,000,000 university Lottery bonding package. Lottery bond debt service is paid with no more than 80% Lottery revenues and at least 20% state university system revenues. ( <i>Please see the Capital Outlay ABOR Building System narrative for more information.</i> )		
<b>Funds Expended</b>	6,401,000	11,918,300
<b>Year-End Fund Balance</b>	0	0

SUMMARY OF FUNDS	FY 2015 Actual	FY 2016 Estimate
<b>University Collections Fund (ASA1411/A.R.S. § 15-1626)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Tuition and registration fees, as well as a portion of university trust land earnings. Tuition and mandatory registration fees comprise \$494,258,100 and \$539,050,100 of the total FY 2015 and FY 2016 revenue, respectively.		
<b>Purpose of Fund:</b> To operate the university.		
<b>Funds Expended</b>	512,843,200	551,220,900
<b>Year-End Fund Balance</b>	0	0