

Arizona State University - East Campus

	FY 2014 ACTUAL	FY 2015 ESTIMATE	FY 2016 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	425.6	425.6	425.6
Personal Services	24,807,700	24,358,700	24,358,700
Employee Related Expenditures	7,733,700	7,593,700	7,593,700
Professional and Outside Services	4,003,200	3,930,700	3,930,700
Travel - In State	31,100	30,600	30,600
Travel - Out of State	288,600	283,400	283,400
Other Operating Expenditures	16,017,200	10,512,700	17,159,700
Equipment	1,109,200	1,089,100	1,089,100
OPERATING SUBTOTAL	53,990,700	47,798,900	54,445,900
SPECIAL LINE ITEMS			
Parity Funding	3,497,800	6,647,000	0
Research Infrastructure Lease-Purchase Payment	917,000	917,000	917,000
TRIF Lease-Purchase Payment	2,000,000	2,000,000	2,000,000
AGENCY TOTAL	60,405,500	57,362,900	57,362,900
FUND SOURCES			
General Fund	22,704,200	25,853,400	25,853,400
<u>Other Appropriated Funds</u>			
Technology and Research Initiative Fund	2,000,000	2,000,000	2,000,000
University Collections Fund	35,701,300	29,509,500	29,509,500
SUBTOTAL - Other Appropriated Funds	37,701,300	31,509,500	31,509,500
SUBTOTAL - Appropriated Funds	60,405,500	57,362,900	57,362,900
Other Non-Appropriated Funds	13,083,300	14,134,900	14,669,000
Federal Funds	5,911,600	6,139,000	6,344,000
TOTAL - ALL SOURCES	79,400,400	77,636,800	78,375,900

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 44 professional and technical Baccalaureate, Master’s, and Doctoral degree programs and 9 undergraduate certificate programs to 5,687 full-time students. ASU-East is located at the 600-acre site of the former Williams Air Force Base in southeast Mesa.

Operating Budget

The Baseline includes \$54,445,900 and 425.6 FTE Positions in FY 2016 for the operating budget. These amounts consist of:

	FY 2016
General Fund	\$24,936,400
University Collections Fund	29,509,500

FY 2016 adjustments would be as follows:

Parity Funding Transfer GF 6,647,000
 The Baseline includes an increase of \$6,647,000 and 9 FTE Positions from the General Fund in FY 2016 to transfer parity funding into the operating budget. This funding was appropriated to a Parity Funding line item to bring ASU - East’s per pupil funding to that of the higher

University of Arizona amount. This increase completed the parity initiative. The Baseline transfers these monies into the operating budget for no net change in resources.

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.

Parity Funding

The Baseline includes no funding for the Parity Funding line item. FY 2016 adjustments would be as follows:

Parity Funding Transfer GF (6,647,000)

The Baseline includes a decrease of \$(6,647,000) and (9) FTE Positions from the General Fund in FY 2016 to transfer parity funding to the operating budget.

Research Infrastructure Lease-Purchase Payment

The Baseline includes \$917,000 from the General Fund in FY 2016 for the Research Infrastructure Lease-Purchase Payment line item. Unlike the ASU - Tempe/DPC payment, this amount is unchanged from FY 2015.

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. Therefore, this funding does 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 Baseline includes \$2,000,000 from the Technology and Research Initiative Fund (TRIF) in FY 2016 for lease-purchase payment requirements. This amount is unchanged from FY 2015.

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. Beginning in FY 2003, the lease-purchase payment increased to \$2,000,000, which will be the annual lease-purchase payment through FY 2021.

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FORMAT — Operating Lump Sum with Special Line Items by Agency

FOOTNOTES

Standard Footnotes (Please see Arizona Board of Regents (ABOR) for university-wide standard footnotes.)

It is the intent of the Legislature that the General Fund base funding for Arizona State University - East Campus is \$24,936,400. This appropriation includes a deferral of \$5,750,200 from FY 2016 to FY 2017. This deferral shall be paid as required in this act. *(The General Fund base funding of \$24,936,400 plus the \$917,000 in Laws 2003, Chapter 267 lease-purchase appropriations equals the FY 2016 total of \$25,853,400. The \$5,750,200 deferral amount into FY 2016 was appropriated by Laws 2014, Chapter 18.)*

Deletion of Prior Year Footnotes

The Baseline would delete the footnote related to parity funding.

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

Payment Deferral

The Baseline includes \$5,750,200 from the General Fund for FY 2015 payments that were deferred until FY 2016 and includes a FY 2016 General Fund payment deferral of \$(5,750,200) until FY 2017. These amounts constitute a portion of a \$200,000,000 university-wide payment deferral. The payment deferral is unchanged from FY 2011. *(Please see ABOR for more information.)*

The FY 2016 General Fund Baseline is \$25,853,400. Of this amount:

- \$19,186,200 would be included in ASU-East's individual section of the FY 2016 General Appropriation Act.
- \$5,750,200 was appropriated in the FY 2015 General Appropriation Act (Laws 2014, Chapter 18) to reflect the deferral of FY 2015 monies to FY 2016.
- \$917,000 was appropriated in Laws 2003, Chapter 267 for a research infrastructure lease-purchase payment.

SUMMARY OF FUNDS	FY 2014 Actual	FY 2015 Estimate
Auxiliary Fund (UNI8906/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	91,800	31,600
Year-End Fund Balance	192,400	126,300

SUMMARY OF FUNDS	FY 2014 Actual	FY 2015 Estimate
Designated Fund (UNI8905/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.		
Funds Expended	10,537,200	13,089,500
Year-End Fund Balance	17,720,200	13,197,900
Endowment and Life Income Fund (UNI8904/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	0	0
Year-End Fund Balance	85,000	85,000
Federal Grants (UNI8903/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	5,911,600	6,139,000
Year-End Fund Balance	100	400
Restricted Fund (Excluding Federal Funds) (UNI8907/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: 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.		
Purpose of Fund: To support specific operating and research purposes as identified by the private or non-federal donating entities.		
Funds Expended	2,454,300	1,013,800
Year-End Fund Balance	2,416,000	2,824,300
Technology and Research Initiative Fund (UNI2472/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
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	35,701,300	29,509,500
Year-End Fund Balance	0	0