

Arizona State University

	FY 2024 ACTUAL	FY 2025 ESTIMATE	FY 2026 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	8,362.5	8,357.4	8,357.4
Personal Services	656,546,600	649,845,200	649,845,200
Employee Related Expenditures	189,307,200	205,971,400	205,971,400
Professional and Outside Services	96,746,900	57,232,600	57,232,600
Travel - In State	120,800	115,600	115,600
Travel - Out of State	1,971,100	653,900	653,900
Other Operating Expenditures	102,077,600	176,080,000	154,880,000
Equipment	27,786,000	4,885,900	4,885,900
OPERATING SUBTOTAL	1,074,556,200	1,094,784,600	1,073,584,600 ^{1/}
SPECIAL LINE ITEMS			
2003 Research Infrastructure Lease-Purchase Payment	13,468,200	13,459,300	13,453,900 ^{2/}
2017 Capital Infrastructure Funding	13,039,900	13,300,700	13,566,700 ^{3/}
Arizona Financial Aid Trust	5,985,800	5,985,800	5,985,800
Biomedical Informatics	3,378,500	3,758,100	3,758,100
Collegiate Women's Wrestling Program	500,000	0	0
Downtown Phoenix Campus	126,738,700	134,098,500	134,098,500
Eastern Europe Cultural Collaborative	250,000	250,000	250,000 ^{4/}
AGENCY TOTAL	1,237,917,300	1,265,637,000	1,244,697,600 ^{5/6/7/}
FUND SOURCES			
General Fund	411,201,900	408,638,200	387,698,800 ^{8/9/10/}
<u>Other Appropriated Funds</u>			
University Collections Fund	826,715,400	856,998,800	856,998,800 ^{11/}
SUBTOTAL - Other Appropriated Funds	826,715,400	856,998,800	856,998,800
SUBTOTAL - Appropriated Funds	1,237,917,300	1,265,637,000	1,244,697,600
Other Non-Appropriated Funds	2,822,995,500	3,018,364,400	3,118,019,300
Federal Funds	626,978,200	616,080,100	616,080,100
TOTAL - ALL SOURCES	4,687,891,000	4,900,081,500	4,978,797,000

AGENCY DESCRIPTION — Established in 1885, Arizona State University (ASU) is one of 3 public universities governed by the Arizona Board of Regents (ABOR).

FOOTNOTES

^{1/} Any appropriated monies allocated by the university for the school of civic and economic thought and leadership shall be used to operate a single stand-alone academic entity within Arizona state university. The appropriated monies may not supplant any existing state funding or private or external donations to the existing centers or to the school. The appropriated monies and all private and external donations for the school, including any remaining balances from prior fiscal years, shall be deposited in a separate account, shall be used only for the direct operation of the school and may not be used for indirect costs of the university. On or before October 1, 2025, the school shall submit a report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate education committee and the house of representatives education committee and the director of the joint legislative budget committee that includes at least the following information for the school:

1. The total amount of funding received from all sources.
2. A description of faculty positions and courses offered.
3. The total undergraduate and graduate student enrollment.
4. Significant community events, initiatives or publications.

The chairpersons of the senate education committee and the house of representatives education committee may request the director of the school to appear before the committees to report on the school's annual achievements.

The legislature intends that appropriated monies allocated by the university for the school of civic and economic thought and leadership in fiscal year 2025-2026 be consistent with the amount appropriated in fiscal year 2022-2023, except that the university may allocate to the school the lump sum reduction of not more than 3.45 percent prescribed by Laws 2024, Chapter 209, Section 129. (General Appropriations Act footnote)

- 2/ A.R.S. § 15-1670 appropriates \$13,453,900 to ASU from the General Fund in FY 2026 to finance lease-purchase payments for research infrastructure projects.
- 3/ A.R.S. § 15-1671 appropriates \$13,566,700 to ASU from the General Fund in FY 2026 for capital infrastructure projects.
- 4/ Arizona state university shall use monies appropriated for the eastern Europe cultural collaborative to facilitate cultural and academic exchanges between university faculty and students and academic institutions in eastern Europe. (General Appropriations Act footnote)
- 5/ Other than scholarships awarded through the Arizona financial aid trust, the appropriated monies may not be used for scholarships or any student newspaper. (General Appropriations Act footnote)
- 6/ 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 this state is the adverse party. (General Appropriations Act footnote)
- 7/ General Appropriations Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.
- 8/ The increased state general fund appropriation from Laws 2014, chapter 18 may not be used for medical marijuana research. (General Appropriations Act footnote)
- 9/ The state general fund appropriation may not be used for alumni association funding. (General Appropriations Act footnote)
- 10/ The FY 2026 General Fund Baseline is \$387,698,800. This amount includes \$360,678,200 in ASU's individual section of the FY 2026 General Appropriations Act, \$13,453,900 in A.R.S. § 15-1670 lease-purchase appropriations, and \$13,566,700 in A.R.S. § 15-1671 capital infrastructure appropriations.
- 11/ Any unencumbered balances remaining in the university collections fund on June 30, 2025 and all collections received by the university during the fiscal year 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 spent for supplemental life insurance or supplemental retirement. (General Appropriations Act footnote)

Operating Budget

The Baseline includes \$1,073,584,600 and 7,206.8 FTE Positions in FY 2026 for the operating budget. These amounts consist of:

	FY 2026
General Fund	\$301,216,900
University Collections Fund	772,367,700

Adjustments are as follows:

Remove One-Time Operating Funding

The Baseline includes a decrease of \$(21,200,000) from the General Fund in FY 2026 for the elimination of one-time operating funding.

The FY 2023 budget's 3-year plan included \$21,200,000 from the General Fund for one-time operating funding in FY 2023, FY 2024, and FY 2025. The enacted FY 2024 budget's 3-year budget plan increased one-time funding in FY 2024 by \$2,400,000, for a total of \$23,600,000. The FY 2025 amount remained at \$21,200,000 with no funding in FY 2026 and beyond. The FY 2025 budget's 3-year plan did not change these budget assumptions.

Student enrollment counts and tuition and fee levels for students will determine the amount of university tuition and fee collections. The University Collections Fund amount will ultimately be adjusted to reflect these revenue amounts. *(Please see the ASU Other Issues Section and ABOR for more information.)*

2003 Research Infrastructure Lease-Purchase Payment

The Baseline includes \$13,453,900 from the General Fund in FY 2026 for the 2003 Research Infrastructure Lease-Purchase Payment line item. Adjustments are as follows:

Refinance Adjustment

The Baseline includes a decrease of \$(5,400) from the General Fund in FY 2026 to adjust the Certificates of Participation (COPs) payment.

A.R.S. § 15-1670 appropriates an annual amount 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.

Since this funding appears in A.R.S. § 15-1670, this funding would not appear in the FY 2026 General Appropriations Act. In total, the universities have issued \$482,500,000 in COPs for research infrastructure projects. Of this amount, ASU has issued \$206,200,000 in COPs. *(Please see the ABOR section for more information.)*

2017 Capital Infrastructure Funding

The Baseline includes \$13,566,700 from the General Fund in FY 2026 for the 2017 Capital Infrastructure Funding line item. Adjustments are as follows:

Inflation Adjustment

The Baseline includes an increase of \$266,000 from the General Fund in FY 2026 for a 2.0% increase in capital infrastructure funding.

A.R.S. § 15-1671 provides General Fund appropriations from FY 2019 - FY 2043 for new university research facilities, building renewal, or other capital construction projects. Since this funding appears in A.R.S. § 15-1671, this funding would not appear in the FY 2026 General Appropriations Act.

A.R.S. § 15-1670 increases the appropriation annually by the lesser of 2% or inflation, as measured by the change in the GDP deflator from the second quarter of the second preceding calendar year to the second quarter of the calendar year immediately preceding the fiscal year (in the example of FY 2026, from the second quarter of CY 2023 to the second quarter of CY 2024). *(Please see the Lottery Bonds and Capital Infrastructure Funding Program Summary on the JLBC website.)*

Arizona Financial Aid Trust

The Baseline includes \$5,985,800 from the General Fund in FY 2026 for the Arizona Financial Aid Trust (AFAT). This amount is unchanged from FY 2025. *(Please see the ABOR section for more information.)*

Biomedical Informatics

The Baseline includes \$3,758,100 and 24.3 FTE Positions in FY 2026 for the Biomedical Informatics line item. These amounts consist of:

General Fund	1,912,100
University Collections Fund	1,846,000

These amounts are unchanged from FY 2025.

This multidisciplinary department incorporates computer science, biology, and engineering to organize and analyze medical data.

Downtown Phoenix Campus

The Baseline includes \$134,098,500 and 1,126.3 FTE Positions in FY 2026 for programs headquartered at the Downtown Phoenix Campus. These amounts consist of:

General Fund	51,313,400
University Collections Fund	82,785,100

These amounts are unchanged from FY 2025.

The Downtown Phoenix Campus offers undergraduate and graduate programs in disciplines including health, nursing, journalism, mass communication, teaching and public programs. The campus opened in 2006.

Eastern Europe Cultural Collaborative

The Baseline includes \$250,000 from the General Fund in FY 2026 for the Eastern Europe Cultural Collaborative. This amount is unchanged from FY 2025.

These monies are used to facilitate cultural and academic exchanges between university faculty and students and academic institutions in eastern Europe.

Other Issues

This section includes information on the following topics:

- Summary
- Long-Term Budget Impacts
- University Collections and FTE Positions Adjustments

Summary

ASU's FY 2026 General Fund Baseline is \$387,698,800. Of this amount:

- \$360,678,200 is included in ASU's individual section of the FY 2026 General Appropriations Act.
- \$13,453,900 is appropriated in A.R.S. § 15-1670 for a research infrastructure lease-purchase payment.
- \$13,566,700 is appropriated in A.R.S. § 15-1671 for new university research facilities, building renewal, or other capital construction projects.

Long-Term Budget Impacts

As part of the Baseline's 3-year spending plan, ASU's General Fund costs are projected to increase by \$267,500 in FY 2027 above FY 2026 and increase by \$262,900 in FY 2028 above FY 2027. These estimates are based on:

- Decreases of \$(3,800) in FY 2027 and \$(13,900) in FY 2028 to adjust for university debt service costs.
- Increases of \$271,300 in FY 2027 and \$276,800 in FY 2028 to increase the university's annual Capital Infrastructure Funding appropriation.

University Collections and FTE Positions Adjustments

Including statewide adjustments, the FY 2025 General Appropriations Act appropriated \$854,407,100 from the University Collections Fund to ASU. The Collections Fund for ASU represents a portion of tuition, fees, and a portion of land earnings. (Please see ABOR Other Issues for more information.) If collections differ from the appropriated amount, the annual General Appropriations Act includes a footnote permitting the universities to expend those amounts as well as a separate footnote requiring the submission of a report detailing any adjustments to the appropriated amounts.

ABOR sets tuition independent of the legislative process. Any revised tuition rates as well as changes in enrollment can result in collections exceeding (or being below) the appropriated amount. The Universities reported the adjustments to the University Collections Fund for FY 2025 to the Joint Legislative Budget Committee in June 2024, and ASU incorporated the adjusted FY 2025 amounts as part of their FY 2026 budget submission. Accordingly, the estimated FY 2025 amount has been adjusted by \$2,591,700 to \$856,998,800.

The FY 2025 FTE Position count has also been adjusted. The FY 2025 General Appropriations Act originally appropriated 8,285.7 FTE Positions in FY 2025 for ASU. The General Fund accounted for 2,567.7 FTE Positions and the University Collections Fund accounted for the remaining 5,718 FTE Positions. The estimated number of FY 2025 FTE Positions has been adjusted by 71.7 to 8,357.4. The General Fund accounts for 2,565.8 FTE Positions and the University Collections Fund accounts for the remaining 5,791.6 FTE Positions.

SUMMARY OF FUNDS	FY 2024 Actual	FY 2025 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	316,778,600	306,864,900
Year-End Fund Balance	(11,676,400)	13,251,300
Capital Infrastructure Fund - ASU (UNI3001/A.R.S. § 15-1671)		Non-Appropriated
Source of Revenue: General Fund appropriations and university local funds. ASU received a General Fund appropriation of \$11,927,400 starting in FY 2019, and this amount will annually increase by 2% or the rate of inflation, whichever is less, through FY 2043. The university must provide a 1:1 match of its own funds for any General Fund appropriations which are used to pay debt service.		
Purpose of Fund: To pay the cost of, or debt service on debt financing for, university capital projects. Systemwide, debt issuances that are repaid by the universities' capital infrastructure funds may not cumulatively exceed \$1.0 billion in principle. (Please see the Capital Outlay ABOR Building System narrative for more information). Expenditures are not displayed to avoid double counting of General Fund appropriations and university system revenues.		
Funds Expended	9,269,000	9,402,000
Year-End Fund Balance	0	0
Designated Fund - Other (UNI8905/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Retained 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.		
Funds Expended	333,307,800	352,274,200
Year-End Fund Balance	311,363,700	231,507,700
Designated Fund - Tuition and Fees (UNI8905/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Retained tuition and fees.		
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. Please see the University Collections Fund for more information on Appropriated tuition expenditures.		
Funds Expended	1,596,338,700	1,785,153,500
Year-End Fund Balance	656,727,900	563,585,600

SUMMARY OF FUNDS	FY 2024 Actual	FY 2025 Estimate
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	3,266,300	0
Year-End Fund Balance	174,639,600	174,639,600
Federal Grants (UNI8903/A.R.S. § 15-1666)		Federal Funds
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	547,325,100	542,225,400
Year-End Fund Balance	0	0
Federal Indirect Cost Recovery Fund (UNI8902/A.R.S. § 15-1601)		Federal Funds
Source of Revenue: Federally-sponsored research programs.		
Purpose of Fund: To assist and promote federally-sponsored research.		
Funds Expended	79,653,100	73,854,700
Year-End Fund Balance	53,879,800	58,735,600
Indirect Cost Recovery Fund (Non-Federal) (UNI8900/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	31,897,200	29,575,600
Year-End Fund Balance	21,576,300	23,520,800
Loan Fund (UNI8901/A.R.S. § 15-1601)		Non-Appropriated
Source of Revenue: Federal student loan program awards and interest collected on outstanding federal student loans.		
Purpose of Fund: To disburse awards from federal student loan programs, including any university match required, and to fund the costs of repayment programs. Expenditures displayed reflect costs of loan program administration and do not include awards to students.		
Funds Expended	1,021,400	0
Year-End Fund Balance	12,777,800	12,777,800
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 (please see the ABOR 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	519,952,900	517,437,900
Year-End Fund Balance	91,252,800	57,424,800
University Capital Improvement Lease-to-Own and Bond Fund (BRA3042/A.R.S. § 15-1682.03)		Non-Appropriated
Source of Revenue: University system revenues.		
Purpose of Fund: 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. (Please see the Capital Outlay ABOR Building System narrative for more information).		
Funds Expended	11,163,600	17,656,300
Year-End Fund Balance	0	0

SUMMARY OF FUNDS	FY 2024 Actual	FY 2025 Estimate
University Collections Fund (ASA1411/A.R.S. § 15-1626)		Appropriated
Source of Revenue: Tuition and registration fees.		
Purpose of Fund: To operate the university. Please see the Designated Fund - Tuition and Fees for more information on Non-Appropriated tuition expenditures.		
Funds Expended	826,715,400	856,998,800
Year-End Fund Balance	0	0