



ASU

ARIZONA STATE UNIVERSITY



FY 2018 Public Investment Request

Arizona State University, with approximately 72,400 students enrolled in programs on its campuses and nearly 25,800 enrolled through ASU Online, is one of the largest, most dynamic, and diverse public institutions of higher education in the nation. More than half of all Arizona residents currently enrolled in one of the three Arizona public universities have selected ASU as their institution of choice. ASU continues to be recognized for its degree offerings, student support, research productivity, and academic excellence. During the 2015-16 Academic Year, ASU conferred nearly 22,000 degrees, including more than 15,000 Bachelors degrees, 5,800 Masters, and almost 900 doctoral and professional degrees.

For the second year in a row, ASU was selected by U.S. News & World Report as the Most Innovative School in the United States, ahead of Stanford and MIT. During the last year, we have strengthened our reputation for academic excellence and accessibility; meaningful research discoveries; and social embeddedness, all while continuing to foster a thriving culture of innovation. There are innumerable examples of innovative approaches that together have enabled ASU to innovate. For example, ASU launched pioneering initiatives like the PLuS Alliance, a tri-continental partnership with universities in Australia and the United Kingdom that tackles health, technology, social justice and sustainability challenges, and the Global Freshman Academy, which breaks down barriers to education by allowing students around the world to complete online courses and pay for credit once they've passed, at a fraction of the usual cost. Our researchers have generated output with real-world importance, like a low-cost test for the Zika virus and a solar cell that broke an efficiency record and achieved the highest voltage ever recorded for its type. The drive, talent and passion of our faculty, staff and students are limitless, and we look forward to continuing to accelerate the knowledge generation and achievements that benefit the state, nation and beyond.



FY 2018 Public Investment Request Summary

	<i>(\$ thousands)</i>
Funding Arizona Resident Student Growth	\$ 4,199.0
Progress Toward Shared Funding of Arizona Resident Students	41,492.4
Subtotal, Operating Funds	45,691.4
Capital Funding to Begin to Address Renewal Needs	12,200.0
Total Investment Request	\$ 57,891.4



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Highlights

Resident Growth Funding

\$4.2 million request addresses operating support for net new Arizona resident students. AZ resident student FTE increased by 783.4 FTE from Fall 2015 to Fall 2016.

Progress toward funding goal

\$41.5 million request to bring the level of public investment to 50% of the cost to educate for all Arizona residents. The current level of investment is 34%. This request is structured to achieve the funding goal over the next three fiscal years

Capital Funding

\$12.2M request for capital to address high-priority building renewal needs.

Statutory Building Renewal

As required by statute, ASU must report the formulaic funding calculation required for annual building renewal. This formula projects a \$45.9 million requirement for building renewal.

Beginning in FY 2017, the Arizona Board of Regents adopted a new model to define public investment in support of public universities. The new model, developed in response to Governor Ducey's request of the Board to "develop a sustainable enterprise financial model that counts on the state as one of many investors", identifies the state's investment as providing access for Arizona residents and therefore provides such public investment as per resident student support. The model calls for half of each resident student's cost to be funded with public investment, with the students and other investors supporting the other half. Prior to the great recession, public investment provided approximately seventy-two percent of a resident student's cost of education; today that support is about a third of the cost.

ASU's request for additional public investment in FY 2018 is comprised of three components: a request to fund the new resident FTE growth between Fall 2015 and Fall 2016; funding one-third of the gap between the current levels of state investment funding and the funding goal of 50%; and a capital request to address the most critical renewal needs on campus. The operating component totals \$45.7M, but the first \$7.0M makes permanent the one-time operating funds provided in FY 2017, such that the new funding would be \$38.7M. With the requested \$12.2M in capital funding to address renewal needs, the total incremental funding would total \$50.9M.

Between Fall 2015 and Fall 2016, Arizona resident enrollment increased by 783.4 full-time equivalent students. State investment totaling \$4.2 million is requested to support these students, and will be used for faculty hiring and student support services.

ASU requests state investment to make progress toward the goal of supporting Arizona resident students at one-half of the cost to educate as per the model developed at the request of Governor Ducey. The FY 2018 request of \$41.5 million would allow for achieving the targeted funding levels within the next three years. This funding will be used to continue to hire additional faculty, advance innovation, technology and partnership efforts, and support additional academic and student support services. The first \$7 million in state investment will restore the \$7 million in one-time funding provided in FY 2017, which was used to recruit tenure track faculty.

Building renewal needs continue to be a strain on the ASU budget, with the statutory Sherman-Dergis formula indicating a need for \$45.9 million in funding. ASU requests \$12.2M to address the most critical needs, including roof replacements, building system replacements, and fire/life safety investments.