

Arizona State University

	FY 2025 ACTUAL	FY 2026 ESTIMATE	FY 2027 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	7,732.6	7,420.4	7,420.4
Personal Services	682,686,600	637,318,500	637,318,500
Employee Related Expenditures	214,277,600	196,367,400	196,367,400
Professional and Outside Services	96,264,600	58,370,900	58,370,900
Travel - In State	102,300	86,400	86,400
Travel - Out of State	1,833,700	581,800	581,800
Other Operating Expenditures	94,004,700	249,521,500	249,521,500
Equipment	6,209,200	4,721,200	4,721,200
OPERATING SUBTOTAL	1,095,378,700	1,146,967,700	1,146,967,700 ^{1/}
SPECIAL LINE ITEMS			
2003 Research Infrastructure Lease-Purchase Payment	13,459,300	13,453,900	13,450,100 ^{2/}
2017 Capital Infrastructure Funding	13,300,700	13,566,700	13,838,000 ^{3/}
Arizona Financial Aid Trust	5,985,800	5,985,800	5,985,800
Biomedical Informatics	3,516,700	3,828,100	3,828,100
Decision Theater - Pinal County Transportation	0	500,000	0
Downtown Phoenix Campus	133,745,800	135,878,500	135,878,500
Eastern Europe Cultural Collaborative	250,000	250,000	250,000 ^{4/}
AGENCY TOTAL	1,265,637,000	1,320,430,700	1,320,198,200 ^{5/6/7/}
FUND SOURCES			
General Fund	408,638,200	412,671,200	412,438,700 ^{8/9/10/}
<u>Other Appropriated Funds</u>			
University Collections Fund	856,998,800	907,759,500	907,759,500 ^{11/}
SUBTOTAL - Other Appropriated Funds	856,998,800	907,759,500	907,759,500
SUBTOTAL - Appropriated Funds	1,265,637,000	1,320,430,700	1,320,198,200
Other Non-Appropriated Funds	3,154,129,600	3,275,358,500	3,334,880,400
Federal Funds	794,539,500	712,990,700	712,990,700
TOTAL - ALL SOURCES	5,214,306,100	5,308,779,900	5,368,069,300

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, 2026, 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 2026-2027 be consistent with the amount allocated in fiscal year 2025-2026. (General Appropriations Act footnote)

- 2/ A.R.S. § 15-1670 appropriates \$13,450,100 to ASU from the General Fund in FY 2027 to finance lease-purchase payments for research infrastructure projects.
- 3/ A.R.S. § 15-1671 appropriates \$13,838,000 to ASU from the General Fund in FY 2027 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 2027 General Fund Baseline is \$412,438,700. This amount includes \$385,150,600 in ASU's individual section of the FY 2027 General Appropriations Act, \$13,450,100 in A.R.S. § 15-1670 lease-purchase appropriations, and \$13,838,000 in A.R.S. § 15-1671 capital infrastructure appropriations.
- 11/ Any unencumbered balances remaining in the university collections fund on June 30, 2026 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 \$1,146,967,700 and 6,316.2 FTE Positions in FY 2027 for the operating budget. These amounts consist of:

	<u>FY 2027</u>
General Fund	\$323,839,300
University Collections Fund	823,128,400

These amounts are unchanged from FY 2026.

2003 Research Infrastructure Lease-Purchase Payment

The Baseline includes \$13,450,100 from the General Fund in FY 2027 for the 2003 Research Infrastructure Lease-Purchase Payment line item. Adjustments are as follows:

Refinance Adjustment

The Baseline includes a decrease of \$(3,800) from the General Fund in FY 2027 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 2027 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 \$13,838,000 from the General Fund in FY 2027 for the 2017 Capital Infrastructure Funding line item. Adjustments are as follows:

Inflation Adjustment

The Baseline includes an increase of \$271,300 from the General Fund in FY 2027 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 2027 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 2027, from the second quarter of CY 2024 to the second quarter of CY 2025). (*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 2027 for the Arizona Financial Aid Trust (AFAT). This amount is unchanged from FY 2026. (*Please see the ABOR section for more information.*)

Biomedical Informatics

The Baseline includes \$3,828,100 and 23.3 FTE Positions in FY 2027 for the Biomedical Informatics line item. These amounts consist of:

General Fund	1,982,100
University Collections Fund	1,846,000

These amounts are unchanged from FY 2026.

Decision Theater – Pinal County Transportation

The Baseline includes no funding in FY 2027 for Decision Theater – Pinal County Transportation. Adjustments are as follows:

Remove One-Time Funding

The Baseline includes a one-time decrease of \$(500,000) from the General Fund in FY 2027 for the elimination of one-time Decision Theater funding.

Downtown Phoenix Campus

The Baseline includes \$135,878,500 and 1,080.9 FTE Positions in FY 2027 for programs headquartered at the Downtown Phoenix Campus. These amounts consist of:

General Fund	53,093,400
University Collections Fund	82,785,100

These amounts are unchanged from FY 2026.

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 2027 for the Eastern Europe Cultural Collaborative. This amount is unchanged from FY 2026.

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 2027 General Fund Baseline is \$412,438,700. Of this amount:

- \$385,150,600 is included in ASU's individual section of the FY 2027 General Appropriations Act.
- \$13,450,100 is appropriated in A.R.S. § 15-1670 for a research infrastructure lease-purchase payment.
- \$13,838,000 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 \$262,900 in FY 2028 above FY 2027 and increase by \$276,900 in FY 2029 above FY 2028. These estimates are based on:

- Decreases of \$(13,900) in FY 2028 and \$(5,400) in FY 2029 to adjust for university debt service costs.
- Increases of \$276,800 in FY 2028 and \$282,300 in FY 2029 to increase the university's annual Capital Infrastructure Funding appropriation.

University Collections and FTE Positions Adjustments

Including statewide adjustments, the FY 2026 General Appropriations Act appropriated \$856,998,800 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 2026 to the Joint Legislative Budget Committee in June 2025, and ASU incorporated the adjusted FY 2026 amounts as part of their FY 2027 budget submission. Accordingly, the estimated FY 2026 amount has been adjusted by \$50,760,700 to \$907,759,500.

The FY 2026 FTE Position count has also been adjusted. The FY 2026 General Appropriations Act originally appropriated 8,357.4 FTE Positions in FY 2026 for ASU. The General Fund accounted for 2,565.8 FTE Positions and the University Collections Fund accounted for the remaining 5,791.6 FTE Positions. The estimated number of FY 2026 FTE Positions has been adjusted by (937) to 7,420.4. The General Fund accounts for 2,217.8 FTE Positions and the University Collections Fund accounts for the remaining 5,202.6 FTE Positions.

SUMMARY OF FUNDS	FY 2025 Actual	FY 2026 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	332,203,400	340,750,200
Year-End Fund Balance	(1,274,000)	(11,766,900)
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 principal. (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	0	0
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	367,760,300	427,935,000
Year-End Fund Balance	357,748,600	234,394,100
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	1,746,205,200	1,838,500,400
Year-End Fund Balance	782,000,500	665,986,500

SUMMARY OF FUNDS	FY 2025 Actual	FY 2026 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	0	0
Year-End Fund Balance	150,231,200	150,231,200
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	677,527,500	623,148,700
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	117,012,000	89,842,000
Year-End Fund Balance	33,987,900	29,507,100
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	160,877,000	123,521,200
Year-End Fund Balance	46,729,100	40,568,800
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	753,800	0
Year-End Fund Balance	13,003,100	13,003,100
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	528,673,600	527,001,100
Year-End Fund Balance	92,970,600	59,348,200
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 \$1,125,000,000 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	17,656,300	17,650,600
Year-End Fund Balance	0	0

SUMMARY OF FUNDS	FY 2025 Actual	FY 2026 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	856,998,800	907,759,500
Year-End Fund Balance	0	0