

# ARIZONA STATE UNIVERSITY

Arizona State University serves more than 67,000 students and employs 2,529 full-time faculty and 5,690 full-time staff. To support Arizona State University's goal to provide educational opportunities for all qualified Arizonans, ASU is committed to increase bachelor degrees from 10,137 in 2007 to 16,000 by 2020.

The university's vision is to establish ASU as the model for the New American University, measured not by who we exclude, but rather by who we include; pursuing research and discovery that benefits the public good; assuming major responsibility for the economic, social and cultural vitality and health and well-being of the community.

In line with this vision, ASU's twin goals of providing access for all Arizona students who meet ABOR acceptance criteria while at the same time providing academic excellence are critical to successful economic expansion in Arizona. ASU plans to continue to meet the demand for educational opportunity within the rapidly growing populace. A core investment to correct for years of underfunding of student growth is critical to meeting that need. The primary focus of the FY10 budget request is the funding of all ASU students — both the more than 15,000 FTE that are not funded in the base funding provided by the state as well as the new student growth anticipated through Fall 2009. This investment will support expansion of faculty, advisors, and academic support functions, as well as enrich the student experience at a resource level that begins to approach similar institutions across the country. This investment will cut across all four of the strategic goals that the Arizona Board of Regents have identified for the Arizona University System. For example, this investment will permit additional investment in support necessary for students to be successful, resulting in improved retention and graduation rates. It will also allow for additional faculty, enabling more frequent contact between students, faculty and researchers who are preeminent in their fields, furthering scholarly achievement within the student body.

## Budget Highlights

### FY 2010 State Operating Request

#### Productivity

- \$23.2 million to support current enrollment growth. This will provide basic instructional support for the new students attending ASU in Fall 2008 as well as those projected to attend in Fall 2009.
- \$10.0 million to begin to provide funding for all students at ASU. This represents a reduced request. Based on a four-year correction strategy, an increase of \$31 million would be required annually for each of the next four years to provide funding for a portion of the student base that is now unfunded.

#### Educational Excellence

- \$2.0 million to support continued development and enhancement of the Biomedical Informatics Program.
- \$775 thousand for the Phoenix Biomedical Campus ASU/UA Joint Operating Investment. This represents ASU's companion request to the UA request for additional faculty for the COM.

**Critical Issues**

The most pressing critical issue for ASU continues to be the implications for program quality and student success outcomes due to the lack of full funding for all ASU students. The limited nature of this budget request further compounds the pressures arising from lack of funding for all ASU students. The current request will address funding for only 1,200 of the more than 15,000 students without any state funding support.

**State Capital Requests**

\$29.9 million for building renewal

**Salary Needs**

\$31.4 million to bring faculty and staff salaries to market

**Arizona State University  
FY 2010 State Budget Request Summary  
(\$ in Thousands)**

	University Needs	Tempe/DT	Polytechnic	West	Total
<b>Core Operating Funds</b>					
Enrollment Growth		\$10,416.2	\$7,277.4	\$5,495.3	\$23,188.9
Funding for All ASU Students	10,000.0				10,000.0
<b>Subtotal</b>	10,000.0	10,416.2	7,277.4	5,495.3	33,188.9
<b>Strategic Investments</b>					
Biomedical Informatics Program		2,000.0			2,000.0
Phoenix Biomedical Campus Joint ASU/UA Operating Investment		775.0			775.0
<b>Subtotal</b>	0.0	2,775.0	0.0	0.0	2,775.0
<b>TOTAL OPERATING REQUEST</b>	<b>\$10,000.0</b>	<b>\$13,191.2</b>	<b>\$7,277.4</b>	<b>\$5,495.3</b>	<b>\$35,963.9</b>

## ENROLLMENT GROWTH FUNDING TOTAL REQUEST -- \$23.2 million

### DESCRIPTION OF REQUEST

ASU's freshman class for the fall 2008 semester contains 9,707 students; a 5% increase from fall 2007 class, a 42% increase since 2002 and a 94% increase since 1998. ASU is seeking an increased investment of \$23.2 million in enrollment growth from the legislature for additional faculty and staff positions in order to meet the demands resulting from student enrollment increases and maintain academic quality.

### WHAT IS THE "ENROLLMENT GROWTH" FORMULA?

The ASU, NAU, and UA annual legislative budget requests include an enrollment based funding request known as the "Enrollment Growth" request. An enrollment funding formula has been in use by Arizona's universities since 1958 (modified over time), and establishes the basis of a funding request intended to provide incremental funding for changes in university student enrollments. Specifically, the formula calculates the additional faculty and staff positions, and related salaries, benefits and operating expenses (based on ABOR costs factors), needed to offset the costs of changing enrollments.

The formula provides one more (or fewer) full time equivalent (FTE) faculty position and .75 FTE more (or fewer) support staff positions for every increase (or decrease) of 22 FTE students.

### HOW DOES THE "22:1" FORMULA WORK?

The 22:1 funding mechanism relies on a series of calculations to determine the following:

- (1) The FTE student calculation (codified in ARS 15-1661) derives student enrollments by weighing total earned credit hours according to three different academic levels. These weights are summarized below:

<u>Academic Level</u>	<u>Credit Hours/FTE</u>
Lower-Division Undergraduate	15
Upper-Division Undergraduate	12
Graduate and Professional	10

This weighting is intended to recognize the smaller class sizes and higher costs of upper division and graduate classes.

- (2) The three year Weighted Rolling Average is derived by using 25 percent of the past year's actual fall FTE enrollment, 50 percent of the present year's fall FTE enrollment, and 25 percent of the projected next fall FTE enrollment;
- (3) The FTE Student Increase/(Decrease) is derived by subtracting the present year's "funded enrollment" as determined by Joint Legislative Budget Committee (JLBC) staff from the three year weighted rolling average enrollment; and
- (4) The Enrollment Growth Faculty Entitlement is derived by dividing the result of (3) by 22 to determine the requested addition (or subtraction) of faculty and support staff positions and related salaries, benefits and operating expenses.

## **WHY INVESTING IN ENROLLMENT GROWTH IS CRUCIAL?**

ASU has been very entrepreneurial in its efforts to develop other revenue sources. However, as a public institution, ASU still requires one of its major investors, the State of Arizona, to fund its core operating expenses. It is critical as the state's population continues to grow, and more and more students seek an undergraduate education at ASU, that the university continues to provide a quality education to all qualified state students.

Thus, ASU is requesting the \$23.2 million enrollment growth investment. The state's investment in enrollment growth allows ASU to meet the demands resulting from student enrollment increases while maintaining academic quality. Funding of the enrollment growth formula improves academic quality by:

- (1) Increasing the average faculty salary which results in the universities hiring senior faculty, thereby enhancing the quality of the classroom experience, and reducing the reliance on the use of graduate assistants and part-time faculty to teach classes.
- (2) Improving the student-to-faculty ratio which reduces class sizes.
- (3) Improving the faculty advisors-to-student ratios.

## **FUNDING FOR EVERY ASU STUDENT TOTAL REQUEST -- \$10 million**

### **DESCRIPTION OF REQUEST**

Over the last 15 years, the periodic failure to provide enrollment growth funding and a regular set of decisions to provide additional investment funds according to patterns that did not reflect actual enrollment growth patterns has led to a substantial level of under investment in ASU's undergraduate and graduate programs such that more than 15,000 students can be viewed as having no State funding to support their education. The annual increase in funding required to correct this deficiency would be \$31 million per year for four years under a four-year correction strategy. This request reflects a limited request for the first year funding. Funding from this request would invest in areas hit hardest by the budget cuts.

#### **(1) Faculty**

ASU has been forced to rely upon larger numbers of instructors and graduate assistants to deliver coursework in place of tenure and tenure track faculty than is optimal. This has led to student – faculty ratios that are substantially higher than peer institutions. Funding from this initiative would focus on the expansion of tenure and tenure-track faculty, enabling greater student retention.

#### **(2) Student Support**

ASU has been necessarily biased toward investment in academic units at the expense of student support functions. It would invest in advisors, tutors and other student support functions, such as financial aid staffing, student services staffing and related support.

#### **(3) Quality of Life**

Examples of quality of life would include support for grounds maintenance, janitorial staffing and investment in and upkeep of classroom technology. The lack of investment in these areas results in grounds and buildings that are not kept as clean or maintained to standard, and classroom technology that may be date and out of service. These directly impact both the student experience and perception of quality of the university.

## **(4) Graduate Student Support**

Our current graduate assistant to faculty ratios is about .55, compared to peer institutions whose average ratio is closer to .62. We need to add approximately 80 graduate assistants to reach the average of the peer group. This request includes funding for stipends for an additional 12 graduate students to begin closing the gap in graduate student support. The expansion of graduate assistantships will lead to an improved ability to compete for talented graduate students as well as increased graduate degree production.

## **(5) Library Acquisitions**

The library acquisition budget has not increased over the past several years. Inflation in the cost of acquisitions has been partially offset by increased use of on-line media, but choices about limiting acquisitions have been made in order to maintain the current budget.

## **(6) Physical Plant**

With a significant increase in faculty to support the existing student population, there is an increased need for classroom, laboratory, office and general purpose space. The expansion would be accomplished through both renovation of existing space and addition of new space. The limited nature of this request prohibits inclusion of a funding request to address this need; it nevertheless remains a pressing need in supporting the faculty and student bodies.

## **BIOMEDICAL INFORMATICS TOTAL REQUEST -- \$2,000,000**

### **DESCRIPTION OF REQUEST**

A combination of university investment and the initial legislative funding in 2007 successfully launched the new Arizona State University Department of Biomedical Informatics (BMI), which has already become a national leader in this important, emerging new field.

To capitalize on our momentum and keep BMI a national leader, strategic investments are needed to recruit a high quality faculty. Recruiting respected senior faculty leaders is essential to establish and grow the BMI program in Arizona and leverage the state's other investments in genomic and biomedical research.

Four key research focus areas have been identified for recruiting and development of research excellence: bioinformatics, imaging informatics, clinical informatics, and public health informatics. Current plans include recruiting senior faculty leaders for each area, augmented with junior faculty over the next 2 – 3 years to build excellence in each research program. A senior hire has been targeted for recruitment to lead bioinformatics. This individual and 2 - 3 mid-level and junior faculty will establish this research area. Gaining national recognition in the area of imaging informatics will require recruiting a national leader to develop the important areas of image management, image processing, scientific visualization, and image guided practice.

The Department, positioned within ASU's Ira A. Fulton School of Engineering, in its School of Computing and Informatics, is a strategic component of the campus of the University of Arizona College of Medicine Phoenix (UACOMP), and the growing biomedical enterprise zone of downtown Phoenix. The Department of BMI is housed in the new Arizona Biomedical Collaborative I building, next to the Translational Genomics Institute (TGen), and near the ASU College of Nursing and ASU Downtown Campus.

The BMI Department has developed significant relationships with clinical partners including the Mayo Clinic, Barrow Neurological Institute, Banner Health, the Veterans Administration Hospital, and Maricopa Integrated Health Services. The Department's Center for Health Information and Research and Arizona HealthQuery are recognized by the U. S. Department of Health and Human Services as one of 6 national centers of excellence. The Department is working with the Arizona Health Care Cost Containment System (AHCCCS) to develop, improve, and adopt electronic health record systems. ASU BMI led the key biomedical informatics portion of the NIH Clinical and Translational Science Award (CTSA) proposal following an initial planning grant. With the UACOMP, BMI created a new Decision Making and Cognition Research cluster focused on medical settings, that has already received over \$5M in external funding, surpassing FY 08 research targets. Other annual research expenditures are already over \$1.2M per year and rising rapidly.

A Master of Science degree program in BMI was initiated in 2007 and the PhD program began in 2008. The new undergraduate BMI program will begin in 2009 and will likely become a national model. The Department designed and is teaching 90 hours of the unique and innovative medical informatics curriculum for the UACOMP.

## **BIOMEDICAL CAMPUS OPERATING INVESTMENT TOTAL REQUEST -- \$775,000**

### **DESCRIPTION OF REQUEST**

The ASU component of the Phoenix Biomedical Campus Joint ASU/UA Operating Investment request is to allow the hiring and start-up support of two new faculty members in the Basic Medical Sciences Department.

In a very short time the University of Arizona College of Medicine - Phoenix, in partnership with Arizona State University (COM-PHX) has made immense strides. The Fall 2008 entering first-year class of 48 students now joins 104 students who are continuing in their second, third, and fourth years of study. These students are being taught in a physical environment that honors Arizona's past while simultaneously experiencing the leading edge of instructional technology. COM-PHX core faculty are working productively in ABC 1, a facility designed to inspire the next research breakthroughs.

By 2010, COM-PHX will increase its total student body by one-third. It is the goal to increase the total student body annually, and that goal is paramount to the success and mission of the College to meet the needs of the State. Faculty must include clinical faculty to support the expansion of the clinical curriculum and to meet the demands of an increasing student body, research scientists, translational clinical research faculty, and faculty in the Basic Medical Sciences Department.

Not only are additional faculty positions essential to the teaching missions of medical classes, these faculty also will form the research core of the proposed centers of excellence, in the domains of diabetes and metabolic disease/obesity, cancer, neuroscience, aging and arthritis/inflammation. Through these fields of study, COM-PHX will leverage the significant breadth and depth of expertise already present among our clinical affiliates, multiple independent research enterprises, and our two major research universities, as we address the major health issues for our state. All stakeholders will benefit immensely from a robust, innovative and top-tier COM-PHX, from the next generation of trained physicians, a statewide core of scientists collaborating together to advance our understanding of health and disease, healthcare providers working together and connected by a biomedical informatics infrastructure, and collaborative relationships with providers who pay for and wish to optimize the delivery and cost of healthcare.