ASU FY05 State Budget

Governor Janet Napolitano’s FY05 state budget proposal includes $13.5 million in increased core funding for ASU and another $10 million in additional salary funding, for a net increase of approximately $23.5 million for the university.

We are very thankful that the governor’s proposed FY05 budget includes increased funding for ASU as, indeed, we are very appreciative of the investment the State of Arizona makes in our university each and every year. With this increase and careful management, ASU will be able to bridge the 2005 fiscal year, maintaining its academic quality and accommodating its anticipated enrollment growth for next year.

We are especially excited about the governor’s commitment to full core funding for ASU in FY06 and beyond. ASU has not received full core funding in 20 years. It is only with full core funding that ASU will be able to expand to meet future student demand for admission, and to evolve into the world-class university that metropolitan Phoenix and the state of Arizona needs.

A healthy university system is vital to the future of the State of Arizona. Universities train our business and civic leaders, our teachers and nurses. University research leads to new treatments for disease and new technologies to spur economic development.

The Arizona economy has suffered in recent years because it is less diverse and far less high-tech than the economies of neighboring states. The state’s economy also suffered because Arizona produces, proportionately, fewer college graduates than other western regions. An educated workforce is critical to building a new, more diverse economy and will help attract new industries. College graduates contribute more to consumer spending and the tax base because, on average, they will earn almost $1 million more than high school graduates during the course of their work lives.

Arizona has a burgeoning college-age population. The Governor's Task Force on Higher Education estimates that by the year 2020, more than 200,000 students will be in Arizona community colleges and almost 150,000 in the state’s three public universities.

Arizona State University has experienced an enormous increase in enrollment during the last few decades. In 1975, ASU enrolled 35,000 students. Today, it has 57,500 students, or more than the University of
Arizona and Northern Arizona University combined. This student enrollment increase was accomplished with no decrease in the academic quality of the students entering the university. In fact, in recent years, ASU has enrolled its best freshman classes. For example, the number of National Merit Scholars rocketed from 24 in 1992 to 105 in 2002 and to 173 in 2003 to rank ASU nationally among the top colleges and universities.

Although the university has been very entrepreneurial in its efforts to develop other revenue sources, ASU, as a public institution, still requires its major investor, the State of Arizona, to fund its core operating expenses. Therefore, the proposed $23.5 million in increased funding for FY05 is vitally important, as is the governor’s commitment to full core funding in FY06 and beyond, so that the university can continue to provide a quality education to all qualified state students.

It is critical at this moment in history, with the state population growing and minority groups gaining access to college, that the state’s public university system continues to provide access and quality.