Arizona State University

Annual Comprehensive Financial Report 2024

Year Ended June 30, 2024
An Enterprise Fund of the State of Arizona.

ASU Arizona State University

Annual Comprehensive Financial Report

Year Ended June 30, 2024

An Enterprise Fund of the State of Arizona
Prepared by the ASU Financial Services Office

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Introductory Section

Message from President Michael Crow

Arizona State University has emerged as a financially robust, all-encompassing public research institution that continues to fulfill our charter mission by designing and delivering valuable initiatives to the public, and we have positioned ASU as the premier working model of the New American University. As we look at some of our accomplishments from this past year, I am very pleased to say that ASU rounds out a decade of being ranked No. 1 in U.S. News & World Report magazine's "most innovative" category — every year since the category was created. The ranking reflects the university's opportunities for faculty research, a supportive campus culture, and education methodologies that ensure student success.

This past year, the ASU endowment exceeded $1.5 billion, an increase of 5.8% in the market value of its assets. The National Association of College and University Business Officers-Commonfund Study of Endowments has ranked our endowment among the industry's largest by asset value for the second consecutive year. The 2023 endowment includes 2,470 permanent gifts with specific uses, plus significant funds supporting ASU scholarships, professorships, research, athletics and other enriching opportunities.

ASU leveraged endowment funding and valuable grants to achieve significant advancements in research, and the National Science Foundation recognized ASU's research spending of $797.2 million, placing it at No. 38 overall out of 899 institutions surveyed, No. 21 among U.S. public institutions, and in the top 4% of research-capable universities. Through its research investments, ASU has supported outstanding innovative initiatives such as:

- ASU scientists, led by Professor Jim Bell, managing the advanced Mastcam-Z camera on NASA's Mars 2020 Perseverance rover.
- Professor Susanne Neuer leads the Bermuda Institute of Ocean Sciences and its research efforts on the Atlantic Ocean and environmental challenges.
- Professors Rosa Krajmalnik-Brown and James Adams in ASU's Biodesign Institute developed a treatment for autism-related symptoms and Pitt-Hopkins syndrome.
- Professor Daniel Bliss and the Center for Wireless Information Systems and Computational Architectures are working on an innovative microchip that performs better with less energy.

ASU still prioritizes meaningful data on its performance and that of similar institutions. The QS World University Rankings evaluates universities on essential criteria, such as academic reputation, employment results, faculty-student ratio, international research network, and sustainability. I am pleased that ASU achieved these 2025 rankings: No. 1 in Arizona; No. 38 in the U.S. and No. 17 among U.S. public universities; and No. 200 out of 1,503 global institutions.

The ASU culture values these metrics. In 2023, the university obtained 170 U.S. utility patents, including a genetically modified bacteria-based treatment for colon cancer, a wearable device for disease-specific antibody identification, and an eco-friendly cement substitute. Our performance placed ASU No. 9 globally and No. 7 in the U.S., highlighting our dedication to innovation and research that solves real-world problems.

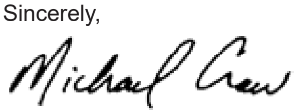
Times Higher Education ranked ASU No. 1 in the U.S. for addressing 11 out of 17 of the United Nations' Sustainable Development Goals. Significant developments in biodiversity, food systems, ocean health, sustainable economic development and water security continue to earn honors and serve the community. ASU remains at the forefront of education, research, and SDG-aligned practice, making us No. 1 in the U.S. and ranking in the top 10 worldwide for five consecutive years.

In the fall of 2023, we welcomed our largest-ever first-year class, with more than 17,000 undergraduates. More than 8,800 students from Arizona high schools joined ASU. One in four of our diverse, first-year cohort includes recipients of the Obama Scholars Award, the Arizona Promise Award, or the College Attainment Grant. We again earned the Seal of Excelencia and joined the Presidents for Latino Success. ASU became a Military Friendly School with "gold status" after the yearly increase in enrollment of veterans, their dependents, and active-duty service members.

The Global Employability University Ranking & Survey reaffirms ASU's commitment to helping students succeed, ranking ASU No. 2 among public U.S. universities, No. 34 internationally, and No. 13 in the U.S. for employable graduates.

I invite you to share my conviction that ASU offers learning experiences that empower students to thrive. The diverse learners we welcome demonstrate that we are making meaningful progress in providing top-quality education. Our burgeoning endowment, increasing recognition for accomplishments in patents and sustainability, and our outstanding culture of innovation attract future graduates ready to share their knowledge, experience and enthusiasm with local and global communities alike.

Sincerely,



Michael M. Crow
President
Arizona State University

November 6, 2024

To President Crow, Members of the Arizona Board of Regents and Friends of Arizona State University:

Enclosed is the *Arizona State University Annual Comprehensive Financial Report* (ACFR) for the year ended June 30, 2024. The report includes the annual financial statements, Management's Discussion and Analysis (MD&A) and supplemental information to assist the reader in clearly understanding the University's financial activities and outcomes.

Arizona State University (ASU) management is responsible for the accuracy and completeness of the information presented, including all disclosures. We believe our system of internal controls is robust and sufficient to prevent material misstatements and to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition. Because the cost of a control should not exceed the benefits that can be derived from it, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements.

The University's internal auditors also perform fiscal, compliance, information technology and operational audits. University Audit and Advisory Services prepares an annual audit plan based on ASU's Enterprise Risk Assessment model. The audit plan is approved by the University President and the Arizona Board of Regents Audit Committee.

State law, federal guidelines, and certain bond covenants require that the University's accounting and financial records be audited each year. The University's annual audit is performed by the Arizona Auditor General. The reports resulting from the audit are shared with University management and the Arizona Board of Regents. The audit of the University's federal assistance programs is performed by the Arizona Auditor General in conjunction with the Statewide Single Audit. For the year ended June 30, 2024, the Arizona Auditor General has issued an unmodified opinion on Arizona State University's financial statements, the most favorable outcome possible. The independent auditors' report is displayed at the front of the financial section of the Report.

ASU remains committed to effective resource planning and sound financial management as it pursues excellence in instruction, research and public service. We have prepared Management's Discussion and Analysis to provide a narrative introduction, overview and analysis of the basic financial statements, as well as information regarding the University's financial position and the results of operations for the year ended June 30, 2024. The MD&A immediately follows the independent auditors' report, complements this letter of transmittal and should be read in conjunction with it.

Profile of the University

ASU's charter, mission and goals demonstrate leadership in both academic outcomes and accessibility and affordability. ASU strives to establish national standing in the academic quality and impact of all ASU colleges and schools; to establish ASU as a global center for interdisciplinary research, discovery and development; and to enhance our local impact and social embeddedness. These aspirations provide the framework for ASU's continued development as a leading, global research university.

ASU offers more than 800 degree programs and concentrations led by expert faculty from highly ranked colleges and schools. Each distinctive academic program exemplifies the hallmark of ASU – an exceptional education inspired by vision, scholarship and creativity. ASU is accredited by the North Central Association's Higher Learning Commission and many programs also maintain additional accreditation through specialized accrediting agencies.

ASU has a proud history beginning with its founding as the Territorial Normal School in 1885 by an act of the Thirteenth Territorial Legislature, in response to the growing demand for teachers and leaders in the region. In 1958, after a series of name changes, the citizens of Arizona voted in favor of a ballot initiative to change the name of the institution to Arizona State University. ASU today is composed of four campuses in the metropolitan Phoenix area, centers in both Los Angeles and Washington, D.C., ASU Online, and programs and locations available across Arizona and around the world.

The Arizona Board of Regents (ABOR), a constitutionally-created body corporate, governs Arizona State University, as well as the state's other two public universities. ABOR is composed of twelve members, including appointed, ex-officio and student regents. The Governor of Arizona appoints and the Arizona Senate confirms the eight appointed regents to staggered, eight-year terms as voting members of ABOR. The Governor and Superintendent of Public Instruction serve as ex-officio, voting members while they hold office. Two student regents serve staggered two-year terms, the first year as a nonvoting board member and the second year as a voting member.

The University is considered a part of the reporting entity for the State of Arizona financial reporting purposes and is included in the State of Arizona *Annual Comprehensive Financial Report*. The financial reporting entity for ASU's financial statements is comprised of the University and ten component units. The University's financial statements and the financial statements for the University's four blended component units, the Bermuda Institute of Ocean Sciences, the Thunderbird School of Global Management, California College of ASU and the ASU Athletic Facilities District, are prepared in accordance with Governmental Accounting Standards Board (GASB) reporting requirements. Separate financial statements for the University's six discretely presented component units are compiled in accordance with GASB Statement Nos. 39 and 61, and include ASU Enterprise Partners; Arizona Capital Facilities Finance Corporation (ACFFC); ASU Alumni Association; Arizona State University Research Park, Inc.; ASU Preparatory Academy, Inc. and Sun Angel Foundation. These component units are non-profit, tax-exempt organizations and are discretely presented based on the nature and significance of their relationships to the University.

The University is responsible for using its resources effectively to fulfill its educational, research and public service missions. It also is responsible for planning, developing and controlling budgets within authorized allocations in accordance with University, ABOR, state and federal policies. The University submits its annual operating budget, which includes revenue from state investment, tuition and fees, auxiliary enterprises, grants and contracts, private gifts and other income, to ABOR for approval. The state legislature reviews the University's local funds budget and adopts and appropriates the general-purpose funds budget through legislation. University colleges and departments utilize financial reports to review financial transactions and monitor budgets. The University also provides quarterly financial reporting to the Arizona Board of Regents. The report includes a comparison of budget to actual revenue and expenses, projections for revenues, expenses and net position for the fiscal year end with variance explanations and an estimate of the University's monthly liquidity.

Economic Condition

The following economic summary is based on the Arizona Office of Economic Opportunity Employment Projections, released on February 24, 2024, and data compiled by the JPMorgan Chase Economic Outlook Center at the ASU W.P. Carey School of Business.

At a national level, the US economy is navigating a mixed landscape characterized by moderate growth, evolving inflationary pressures and volatile labor market dynamics. Real GDP growth for calendar 2024 is projected to be around 2.1 percent, down from the robust 2.9 percent growth in 2023. The deceleration in real GDP growth is attributed to tighter monetary policy, ongoing global uncertainties and fluctuations in consumer spending patterns. Inflation has moderated from its peak in 2022 but remains above the Federal Reserve target of 2.0 percent. The Federal Reserve has continued to maintain a cautious stance, keeping the federal funds effective rate around 5.25 percent throughout 2024 amid ongoing overtures of possible rate reductions each quarter. In September 2024, the Federal Reserve issued the first rate cut of 50 basis points to the federal funds effective rate. Consumer spending continues to be a key driver of economic activity, though it has softened compared to previous years. Higher borrowing costs, inflationary pressures and decreased consumer confidence continues to negatively impact consumer purchasing behavior.

According to the U.S. Bureau of Labor Statistics, the national labor market remains relative strong, though growth has moderated. Employee hiring and retention remains a significant challenge across all industries, particularly within the higher education sector. The national unemployment rate as of August 2024 of 4.1 percent reflects a stable job market with robust demand for workers especially in the technology, health care and renewable energy sectors. Wage growth has slowed with average hourly earnings increasing only 3.2 percent year-over-year as of August 2024. The Arizona unemployment rate remains around 3.4 percent year-over-year. Arizona continues to outperform the national average for unemployment and, based on positive fundamentals including job growth, significant improvement in local rates of inflation and continued net migration to the state, the Arizona economy is expected to see continued improvement. In its February 2024 forecast, the Arizona Office of Economic Opportunity is forecasting modest gains in Arizona nonfarm employment, with over 102,000 new nonfarm jobs (1.5 percent annualized growth) expected from 2023 through 2025. Job growth is expected to continue across ten of Arizona's eleven job super-sectors with the health care and hospitality super-sectors expected to add the largest number of jobs at approximately 33,900 (annualized growth rate of 2.9 percent), and approximately 14,500 (annualized growth rate of 1.9 percent), respectively. Super-sectors expected to grow more slowly are government, information and financial activities at 0.4 percent each. Natural resources and mining is the only super-sector projected to record a loss, approximately 200 jobs (-0.2 percent annualized rate).

Looking ahead, the US economy is expected to face continued challenges from inflationary pressures and global uncertainties. Economic growth is expected to remain moderate with potential risks stemming from shifts in monetary policy, fiscal policy debates and international economic and sociopolitical developments. Locally, Arizona remains well-positioned for economic growth due to its increasing profile as a technology hub, particularly in the areas of semiconductor manufacturing, software development and tech startups. Arizona maintains significant geographic advantages regarding renewable energy production, particularly in solar, geothermal and wind energy as well as significant private investments being made in battery storage technologies. Housing affordability, education and workforce development gaps, infrastructure needs and the potential for water shortages remain areas of significant economic risk for the state. Local budgetary pressures continue to result in an overall decline in State public education investments and continue to stress the importance of revenue diversification and growth at scale for the University to maintain its financial profile. Arizona State University is strategically positioned to address the growing demands of the local technology industry through its robust academic programs, innovative research initiatives and strong industry partnerships. ASU's collaborations with leading tech companies and its investment in cutting-edge facilities, such as the Innovation Hub and Southwest Advanced Prototyping (SWAP) Hub, ensure that both students and researchers have access to state-of-the-art resources.

Planning and Initiatives

The ASU Public Enterprise, composed of the University, affiliated entities and other partners, continues to evolve and demonstrate new possibilities in line with its design aspirations. The ASU Public Enterprise strategic planning methodology is driven by pursuit of entrepreneurial opportunities in support of efforts to empower and catalyze human development in all forms. The public enterprise approach to higher education constitutes an animating purpose of social transformation, knowledge generation at society-impacting scale, the fundamental assumption of faculty as knowledge entrepreneurs and demonstration of measurable economic and social progress metrics while generating and employing diverse funding mechanisms to support the enterprise.

With the ASU Charter as its guiding principle, Arizona State University has become a national leader in enabling academic excellence and accessibility at scale. ASU remains committed to ongoing institutional redesign to reach the next iteration of the public research university while simultaneously taking fundamental responsibility for the communities we serve. As part of its long-term strategic planning, the University aspires to be the leading global center for interdisciplinary research, discovery and development.

Major milestones of the past year highlight the variety of accomplishments of the University and include the following:

- In December 2023, the Arizona State University endowment surpassed $1.5 billion in market value of assets. A combination of generous donors, market recovery and strong investment performance boosted the endowment's market value for Fiscal Year 2024. The endowment is managed by the Investment Committee of the ASU Foundation for a New American University and is a critical component of the University's diversified revenue-generating portfolio. Additionally, in December 2023, the ASU Foundation was recognized with an Innovator Award for its sustainable investing program by *Chief Investment Officer Magazine*.

- The University announced a collaboration with OpenAI in January 2024 that created the Artificial Intelligence (AI) Innovation Challenge to facilitate ChatGPT educational licenses being provided at no cost to university faculty, staff and student researchers. The collaboration brings the advanced capabilities of ChatGPT Enterprise into higher education, setting a precedent for how universities will enhance learning, research and business operations in the future. Over 800 licenses for 105 proposals were granted during the first submission tranche in the Spring 2024, including projects utilizing AI to facilitate course design, content development, faculty and student support tools, workforce development and training, data analysis and coding.

- In April 2024, the National Science Foundation (NSF) announced a $90 million partnership with the University for a first-of-its-kind NSF research hub, *SafeInsights*, for transformational learning and education research. Led by OpenStax-Rice University, *SafeInsights* is a large-scale research hub that will safely connect digital learning platforms and educational institutions to student research learning outcomes by creating the data infrastructure necessary to capture learning processes at scale and across multiple complex contexts.

- On August 2, 2024, the University officially became a full member with voting rights of the Big 12 Conference. Maintaining alignment with the Four Corners area schools, the University of Utah, the University of Colorado, and the University of Arizona, ensures that the University will continue current rivalries and offer regional travel for its nearly 700 student athletes who will be competing with other high quality institutions in an ever-evolving college athletics landscape.

- In August 2024, the University celebrated the five-year anniversary of its corporate partnership with Uber which offers eligible Uber drivers, couriers and their family members fully paid tuition for ASU Online. This partnership already has produced more than 1,100 college graduates. Beginning in fall 2024, the partnership will expand to include coverage of Barrett, The Honors College programs. Partnerships such as this one advance the University's commitment to create innovative pathways for educational attainment through creating learning opportunities that align with the evolving needs of today's learners.

- Arizona State University continues to be a nationally-recognized employer of choice and was highlighted as such by *Newsweek* and *Forbes*. *Newsweek* recognized the University as one of "America's Greatest Workplaces", receiving particular accolades in the areas of diversity, job starters, women, mental well-being, and parents and families. In July 2024, *Forbes* recognized ASU as one of "America's Best Employers for Women".

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the University for its ACFR for the fiscal year ended June 30, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. To receive a Certificate of Achievement, a report issuer must publish an easily readable and efficiently organized ACFR, and must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. The University will submit its ACFR for the fiscal year ended June 30, 2024 to the GFOA and anticipates this year's report will continue to meet the Certificate of Achievement Program's requirements.

Preparation of this ACFR in a timely manner would not have been possible without the coordinated efforts of the Financial Services Office and other University administrators, faculty and staff. In addition, the Arizona Auditor General provided invaluable assistance. The contributions of all these parties are gratefully acknowledged.

Sincerely,

Morgan R. Olsen
Executive Vice President, Treasurer and Chief Financial Officer
Arizona State University

ASU is a comprehensive public research university, measured not by whom it excludes, but by whom it includes and how they succeed; advancing research and discovery of public value; and assuming fundamental responsibility for the economic, social, cultural and overall health of the communities it serves.

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Arizona State University

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

ASU Organizational Chart

As of June 30, 2024

Michael M. Crow
President

Nancy Gonzales
Executive Vice President and University Provost

Sally C. Morton
Executive Vice President of Knowledge Enterprise

Maria Anguiano
Executive Vice President of Learning Enterprise

Morgan R. Olsen
Executive Vice President, Treasurer and Chief Financial Officer

Chris Howard
Executive Vice President and Chief Operating Officer

Sherine Gabriel
Executive Vice President of ASU Health

Lisa S. Loo
Senior Vice President and General Counsel

James W. O'Brien
Senior Vice President and Chief of Staff

James A. Rund
Senior Vice President for Educational Outreach and Student Services

Richard H. Stanley
Senior Vice President and University Planner

Graham Rossini
Athletics Director

Christine K. Wilkinson
Senior Vice President and Secretary of the University

Arizona Board of Regents

As of June 30, 2024

Ex-Officio

Katie Hobbs, *Governor of Arizona*

Tom Horne, *Arizona Superintendent of Public Instruction*

Appointed

Cecilia Mata, *Chair*

Gregg Brewster, *Secretary*

Fred DuVal, *Treasurer*

Liz Archuleta

Doug Goodyear

Jessica Pacheco

Larry Penley

Katelyn Rees, *Student Regent*
University of Arizona

David Zaragoza, *Student Regent*
Arizona State University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Financial Section

LINDSEY A. PERRY
AUDITOR GENERAL

ARIZONA
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent auditors' report

Members of the Arizona State Legislature

The Arizona Board of Regents

Report on the audit of the financial statements

Opinions

We have audited the accompanying financial statements of the business-type activities and aggregate discretely presented component units of Arizona State University as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and aggregate discretely presented component units of the University as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

We did not audit the financial statements of the Bermuda Institute of Ocean Sciences (BIOS), the Thunderbird School of Global Management (TSGM), the California College of ASU (CC-ASU), the ASU Athletic Facilities District (AFD), and the aggregate discretely presented component units, which account for the following percentages of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, and expenses of the opinion units affected:

Opinion unit	Assets and deferred outflows	Liabilities and deferred inflows	Revenues	Expenses
Business-type activities—BIOS	0.60%	0.04%	0.46%	0.44%
Business-type activities—TSGM	0.11%	0.03%	0.22%	0.21%
Business-type activities—CC-ASU	0.03%	0.06%	0.15%	0.14%
Business-type activities—AFD	0.00%	0.00%	0.05%	0.06%
Discretely presented component units	100%	100%	100%	100%

Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for BIOS, TSGM, CC-ASU, AFD, or the aggregate discretely presented component units, is based solely on the other auditors' reports.

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Basis for opinions

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the U.S. Comptroller General. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The other auditors did not audit the aggregate discretely presented component units' financial statements*,* except for the ASU Preparatory Academy, Inc., in accordance with *Government Auditing Standards*.

Emphasis of matter

As discussed in Note A to the financial statements, the University's financial statements are intended to present the financial position, the changes in financial position, and, where applicable, cash flows of only those portions of the business-type activities, major fund, and aggregate discretely presented component units of the State of Arizona that are attributable to the transactions of the University. They do not purport to, and do not, present fairly the financial position of the State of Arizona as of June 30, 2024, the changes in its financial position, or, where applicable, its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Management's responsibilities for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we express no such opinion.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the audit's planned scope and timing, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required supplementary information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 20 through 27, schedule of the University's proportionate share of the net pension liability on page 66, schedule of the University's proportionate share of total OPEB liability on page 66, and schedule of University pension contributions on page 67 be presented to supplement the basic financial statements. Such information is management's responsibility and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The combining statements on pages 70 and 71 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is management's responsibility and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance on the other information.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will issue our report on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters at a future date. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

Lindsey A. Perry

Lindsey A. Perry, CPA, CFE
Auditor General

November 6, 2024

Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) provides readers of Arizona State University's financial statements an understanding of the financial position and revenue and expense activities for the year ended June 30, 2024. This discussion has been prepared by University management and should be read in conjunction with the financial statements and notes to the financial statements.

Arizona State University Reporting Entity

Arizona State University (ASU, University) is a knowledge enterprise committed to knowledge creation, innovation, meaningful impact to our community and global engagement. The University is comprised of an educational network of more than 800 accredited undergraduate majors, highly ranked graduate degrees and concentrations. ASU's Fall 2023 enrollment was over 145,000 students comprised of over 114,000 undergraduate students and 31,000 graduate students, including over 65,000 students participating in ASU's online degree programs. The University is classified as an instrumentality of the State of Arizona and is included as an enterprise fund for financial reporting purposes in the State's Annual Comprehensive Financial Report.

The University's financial report includes three basic financial statements: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows. Financial information for FY 2023 is included in MD&A to illustrate increases and decreases in comparison to FY 2024 data. The financial statements and notes along with MD&A have been prepared in accordance with generally accepted accounting principles as defined by the Governmental Accounting Standards Board (GASB) for public colleges and universities.

The University's financial statements encompass the University and its four blended component units and six discretely presented component units. MD&A focuses only on the University and blended component units, unless otherwise stated. Information on the component units can be found in the component units' Statement of Financial Position and Statement of Activities, as well as *Note B - ASU Component Units*, *Note M – Summary Financial Information for ASU Component Units*, and Combining Statements of the nonmajor discretely presented component units.

Effective for FY 2024, the University early-implemented GASB Statement No. 101, *Compensated Absences.* GASB Statement No. 101 establishes standards of accounting and financial reporting for compensated absences and associated salary-related payments. A compensated absence is leave for which employees may receive one or more cash payments when leave is used for time off, cash payments for unused leave upon termination of employment, or noncash settlements such as defined benefit postemployment benefits. Examples of compensated absences include vacation (or annual) leave, sick leave, paid time off, holidays, parental leave, bereavement leave and certain types of sabbatical leaves.

Financial Highlights for FY 2024

The University strengthened its financial foundation in FY 2024 with a $194 million increase in net position compared to a $190 million increase in FY 2023. This represents the 19th straight year in which ASU reported an increase in net position. At June 30, 2024 the University had total assets of $7.0 billion and net position of almost $2.3 billion. Overall, FY 2024 funding sources and uses increased at seven percent and eight percent, respectively from FY 2023.

Tuition and fees are ASU's primary revenue source (50 percent), with grants and contracts, state appropriations, financial aid grants and auxiliary enterprise activities also providing significant funding sources to the University. $1.8 billion was spent on instruction and academic support related expenses in FY 2024, representing nearly one-half of the University's total expenses and a seven percent increase over FY 2023. Research combined with public service expenses was the second largest expense category with $563 million in FY 2024 expenses, while scholarships and fellowships combined with student services were $561 million, with the categories reflecting a 11 percent increase and 10 percent increase over FY 2023, respectively.

Statement of Net Position

The Statement of Net Position presents the financial position of the University at the end of the fiscal year and reports all assets, deferred outflows, liabilities and deferred inflows, and segregates assets and liabilities into current and non-current categories. Assets are resources controlled by ASU that can be used to support its mission and goals. A deferred outflow of resources is a use of net position that is applicable to future reporting periods. Liabilities are obligations of the University. A deferred inflow of resources is the acquisition of net position that is applicable to future periods.

The change in net position (assets plus deferred outflows of resources less liabilities less deferred inflows of resources) between years is one indicator of whether the overall financial condition of the University has improved or worsened during the fiscal year.

A summary comparison of the University's financial position as of June 30, 2024 and June 30, 2023 follows.

Condensed Summary of Net Position *(Dollars in millions)*		
	FY 2024	**FY 2023**
Assets		
Current assets	$ 829.4	$ 840.2
Noncurrent assets	2,035.3	1,752.4
Noncurrent capital assets, net	4,087.9	3,798.1
Total assets	**$ 6,952.6**	**$ 6,390.7**
Deferred outflows of resources	**$ 191.4**	**$ 207.1**
Liabilities		
Current liabilities	$ 819.2	$ 772.5
Noncurrent liabilities	870.7	910.3
Noncurrent long-term obligations	2,788.9	2,545.2
Total liabilities	**$ 4,478.8**	**$ 4,228.0**
Deferred inflows of resources	**$ 367.6**	**$ 266.3**
Net position		
Net investment in capital assets	$ 1,340.7	$ 1,205.9
Restricted:		
Nonexpendable	114.3	109.1
Expendable	216.4	209.0
Unrestricted	626.2	579.5
Total net position	**$ 2,297.6**	**$ 2,103.5**

Total assets at June 30, 2024 of $7.0 billion reflect a nine percent increase from June 30, 2023. Current assets are used to support operations and include cash and cash equivalents, short-term investments and accounts receivable. Current assets decreased $11 million between years primarily due to decreases in cash and cash equivalents and short term investments partially offset by increases in accounts receivable. Cash and cash equivalents and short-term investments decreased as the University strategically invested available cash balances to maximize returns and maintain reasonable liquidity to fund short-term obligations. Receivables increased between years due to growth in student tuition and fee billings, expansion of corporate partner tuition programs and increases in sponsored research activities.

Noncurrent assets increased $573 million between years primarily due to a $290 million increase in net capital assets, $108 million increase in restricted cash and cash equivalents, $39 million increase in endowment investments, $88 million increase in long-term investments, $29 million increase in lease-related receivables and a $22 million increase in OPEB assets. The increase in net capital assets is attributable to an increase in right-of-use lease assets primarily due to an extension of the University's lease of the California Center in Downtown Los Angeles, and completion of the Bateman Physical Sciences Building renovation and the new multi-use retail and parking facility on Mill Avenue in Downtown Tempe. Restricted cash and cash equivalents increased due to the issuance of the 2024A/B/C System Revenue and Refunding Bonds to fund the West Campus New Academic Building, Tempe Campus New Academic Building, Tempe Campus Academic and Office Space, Tempe District Plant, infrastructure and deferred maintenance projects as well as various refundings of the series 2010 Build America System Revenue Bonds, the Series 2017A System Revenue and Refunding Bonds, and acquisition of the Nanotechnology Facility, previously owned by one of the University's discretely-presented component units, the Arizona Capital Facilities and Financing Corporation (ACFFC). Restricted cash and cash equivalent increases were partially offset by capital projects expenses funded by prior year issuances. ASU's endowment investments increased primarily due to unrealized market gains in investments. ASU's endowment investments are managed by the ASU Foundation for a New American University. Other investments increased due to portfolio balancing efforts to conform with ASU's overall investment strategy and to ensure maximum yet prudent returns on the University's operating liquidity.

Deferred outflows of resources decreased $16 million between years primary due to a decrease in pensions and other postemployment benefits (OPEB) activity as a result of actuarial differences between expected and actual experience as well as changes in actuarial assumptions.

Total liabilities increased $251 million for the year ended June 30, 2024 to $4.5 billion, with current liabilities increasing $47 million between years primarily due to increases in unearned revenues and compensated absences, partially offset by a decrease in accounts payable and other postemployment benefits. Unearned revenues increased $29 million due to an increase in fixed grant awards with corresponding grant revenues being received prior to all grant obligations being fulfilled resulting in the recognition of the revenue in future periods. Accounts payable decreased $7 million primarily due to timing of payments associated with payroll-related and other accrued liabilities at year-end.

Noncurrent liabilities increased $204 million between years with pension liabilities increasing $11 million, noncurrent lease liabilities increasing $30 million and long-term debt increasing by $222 million, partially offset by decreases in the University's allocated portion of OPEB liabilities, decreasing $59 million. Pension liabilities increased due to increases in actuarial long-term liabilities for the plans exceeding growth in the plans investment assets. Noncurrent lease liabilities increased due to the extension of the University's long-term lease on the California Center in Downtown Los Angeles. Long-term debt increased due to the issuance of the 2024 A/B/C System Revenue and Refunding Bonds to fund the projects, refundings and acquisition described above. The decrease in the OPEB liability was due to actuarial differences between expected and actual experience relative to economic and demographic factors and the increase in the actuarially-determined OPEB discount rate from 3.69 percent as of June 30, 2022 to 3.86 percent as of the June 30, 2023 measurement date.

Deferred inflows of resources increased $101 million between years due to increased other postemployment benefits deferrals due to actuarial changes in assumptions in the measurement of the plan liabilities to be recognized in future periods and due to new leases executed during the fiscal year for which the University is the lessor.

Net position increased $194 million between years to almost $2.3 billion. ASU's increase in net position over the last ten years has averaged $133 million annually, allowing the University to accumulate unrestricted net position sufficient to absorb the reductions to net position related to GASB pension plan, OPEB liability and compensated absences standards and still retain positive unrestricted net position to support strategic initiatives. Net position is reported as follows:

- Net investment in capital assets represents the University's investment in capital assets such as equipment, buildings, land and infrastructure, net of accumulated depreciation/amortization and outstanding debt obligations related to those capital assets.
- Restricted-nonexpendable net position primarily represents the University's permanent endowment funds received from donors for the purpose of creating enduring funding streams for specific programs or activities. These funds are held in perpetuity and are not available for expenditure by the University. The earnings on these funds support the programs and activities as determined by donors.
- Restricted-expendable net position is the resources which the University is legally or contractually obligated to spend in accordance with restrictions placed by donors, grantors or other external parties.
- Unrestricted net position is composed of all other funds available to the University for purposes related to its mission. Unrestricted net position is typically designated or committed for specific academic programs, research initiatives, strategic investments or capital projects.

Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position presents the University's operating results for the fiscal year. A positive increase in net position would typically indicate the financial condition of the University has improved over the prior year. In accordance with GASB, the University recognizes certain essential revenues such as state appropriations, financial aid grants, and private gifts, as nonoperating revenues even though those revenues are used to support the University's core instructional mission and are a significant component of the University's funding model.

A summary comparison of the University's activities for FY 2024 and FY 2023 follows.

Condensed Summary of Revenues, Expenses, and Changes in Net Position *(Dollars in millions)*

	FY 2024	FY 2023
Operating revenues		
Tuition and fees, net	$ 2,028.3	$ 1,889.4
Research grants and contracts	520.3	472.2
Auxiliary enterprises, net	250.4	253.9
Other operating revenues	131.9	136.6
Total operating revenues	$ 2,930.9	$ 2,752.1
Operating expenses	3,788.0	3,528.9
Operating loss	**$ (857.1)**	**$ (776.8)**
Net nonoperating revenues (expenses)		
State appropriations	$ 423.8	$ 405.0
Other nonoperating revenues	680.4	545.4
Nonoperating expenses	(105.1)	(84.0)
Income before other revenues, expenses, or gains	$ 142.0	$ 89.6
Capital appropriations and other revenues	52.1	100.3
Increase in net position	**$ 194.1**	**$ 189.9**
Net position at beginning of year, as restated	2,103.5	1,913.6
Net position at end of year	**$ 2,297.6**	**$ 2,103.5**

Operating Revenues

Operating revenues represent resources generated by the University to fulfill its instruction, research, and public service missions. Student tuition and fees, research grants and contracts, and auxiliary enterprise activities are the primary operating revenues of the University.

Operating revenues increased $179 million, or seven percent, to $2.9 billion in FY 2024 with the most significant increases occurring in net tuition and fees and research grants and contracts. The $139 million increase in tuition and fee revenues is primarily the result of a two percent increase in FTE enrollment, inclusive of online enrollment growth of five percent and increased tuition rates of three percent for immersion resident students and five percent for non-resident and international students. Online undergraduate and graduate student tuition increased two percent and included various increases in college fees. Research grants and contracts increased $48 million, or 10 percent, due to increased sponsored research award activity, particularly for federally-sponsored research grants with significant capital deliverables.

Operating Expenses

Expenses are categorized as operating or nonoperating per GASB. The University reports operating expenses by functional category (instruction, research, etc.) in the Statement of Revenues, Expenses, and Changes in Net Position and displays expenses by their natural classification (personal services and benefits, supplies and services, scholarships and fellowships and depreciation/amortization) in *Note I – Operating Expenses by Natural Classification*.

Operating expenses increased $259 million, or seven percent, in FY 2024 with the increase largely reflecting growth in instruction and academic support, research and public service activities and scholarships and fellowships. Instruction and academic support represents the largest category of expense growth, an increase of $113 million, due to increased enrollment and corresponding instructional and programmatic demands including faculty FTE growth of four percent and staff FTE growth of seven percent. Research and public services activities increased $56 million due to increased sponsored awards activities, primarily related to enterprise-wide awards for capital-intensive research projects. Scholarships and fellowships and student services increased $51 million due to increased institutional investments in financial aid for incoming first year students. Overall expenses for each functional category increased due to the implementation of GASB Statement No. 101 which recognized earned sick leave balances for employees that the University reasonably expects will be used in future periods.

Pensions and other postemployment benefits (OPEB) expenses totaled $15 million in FY 2024 impacting all functional classifications. Pensions expense increased due to recognition of actuarial differences between expected and actual experience as well as changes in actuarial assumptions. OPEB expenses decreased due to an increase in the OPEB actuarial discount rate.

Combined Sources and Uses *(Dollars in millions)*

	FY 2024	Percent Total	FY 2023	Percent Total	Percentage Change
Sources					
Tuition and fees, net	$ 2,028.3	50%	$ 1,889.4	50%	7%
Grants and contracts	690.2	17%	603.5	16%	14%
State appropriations (includes capital appropriations)	450.3	11%	485.3	13%	(7)%
Financial aid grants	244.7	6%	216.7	6%	13%
Auxiliary enterprises, net	250.4	6%	253.9	7%	(1)%
Private and capital gifts	115.2	3%	102.0	2%	13%
Sales and services	108.2	2%	108.1	3%	0%
Share of state sales tax (TRIF)	42.2	1%	35.7	1%	18%
Other sources	157.7	4%	108.3	2%	46%
Total sources	**$ 4,087.2**	**100%**	**$ 3,802.9**	**100%**	**7%**
Uses					
Instruction and academic support	$ 1,779.5	46%	$ 1,667.0	46%	7%
Research and public service	563.1	14%	507.6	14%	11%
Scholarships and fellowships and student services	560.5	14%	509.7	14%	10%
Institutional support and operation of plant	416.1	11%	378.4	10%	10%
Auxiliary enterprises	237.1	6%	245.2	7%	(3)%
Depreciation and amortization	231.7	6%	221.0	6%	5%
Interest on debt and other expenses	105.1	3%	84.1	3%	25%
Total uses	**$ 3,893.1**	**100%**	**$ 3,613.0**	**100%**	**8%**

Nonoperating Revenues and Expenses

Due to the required classification of key revenue sources such as state appropriations, financial aid grants, and private gifts as nonoperating revenues, operating expenses will typically exceed operating revenues for public universities, resulting in an operating loss each year. Total nonoperating and capital revenues increased $105 million between years, primarily due to a $66 million increase in net investment returns, a $28 million increase in financial aid grants, a $27 million increase in nonoperating grants and contracts and a $13 million increase in capital and private gifts, partially offset by a $35 million decrease in total state appropriations. Net investment returns increased between years due to realized and unrealized market gains on operating investments and endowments due to the favorable position of equity markets at June 30, 2024 and increases in interest earnings on operating fund investments due to the static federal funds effective rate in place for the duration of the fiscal year. State appropriations decreased primarily due to the one-time nature of additional capital appropriations of $54 million received in FY 2023, partially offset by modest increases in Arizona Teachers Academy and Arizona Promise appropriations from the Arizona Board of Regents. The increase in financial aid grants is related to Pell grant activity tied to enrollment increases. Private and capital gifts increased due to robust philanthropic activities and nonoperating grants and contracts revenues increased due to two significant capital grant awards from the Arizona Commerce Commission for semiconductor-related capital projects.

Statement of Cash Flows

A summary comparison of cash flows for the University's FY 2024 and FY 2023 activities follows.

Condensed Summary of Cash Flows *(Dollars in millions)*

	FY 2024	FY 2023
Cash provided by/(used for):		
Operating activities	$ (655.8)	$ (511.8)
Noncapital financing activities	993.2	869.6
Capital and related financing activities	(313.8)	(227.8)
Investing activities	54.8	(127.7)
Net increase in cash and cash equivalents	**$ 78.4**	**$ 2.3**
Cash and cash equivalents at beginning of year	567.5	565.2
Cash and cash equivalents at end of year	**$ 645.9**	**$ 567.5**

The Statement of Cash Flows provides additional information about the University's financial results by reporting the major sources and uses of cash and cash equivalents. Cash flows from operating activities present the net cash generated or used by the operating activities of the University. Due to the categorization of operating and nonoperating revenues and expenses by GASB, cash flows from operating activities are typically a net cash use. Major operating funding sources include student tuition and fees, research grants and contracts and auxiliary enterprises revenues. Operating expenses include employee salaries and benefits, vendor payments for services and supplies and student aid outflows. Net cash flows from noncapital financing activities is a major funding source for operating expenses and includes cash from state appropriations, nonoperating grants and contracts, financial aid grants, and private gifts. Cash flows from capital financing activities include all capital assets and related long-term debt activities, including proceeds from the issuance of debt, capital asset purchases, and principal and interest paid on long-term debt. Cash flows from investing activities show the net sources and uses of cash related to purchasing or selling investments and income earned on those investments.

Capital Assets and Debt Administration

The University is required by state statute and Arizona Board of Regents policy to prepare an annual Capital Improvement Plan (CIP). The CIP details the University's four-year strategic plan of space use and anticipated capital investments to enable the success of current and future students. The CIP outlines plans to issue debt to finance capital acquisitions or construction to address academic, research and student programmatic needs.

The University's capital assets, net of accumulated depreciation/amortization and deletions, increased by $290 million in FY 2024, an eight percent increase over FY 2023, due to new capital projects, equipment acquisitions and new subscription and leasing activities.

Significant FY 2024 new capital projects included the following:

- **Interdisciplinary Science and Technology Building 12.** This new multi-level research and education building will provide a centralized location for the University's School of Manufacturing Systems and Networks at the Polytechnic campus. The approximately $187 million 180,000 gross-square-foot building will consist of three floors and 128,828 programmable square feet for office, meeting, instructional, research and collaboration spaces to prepare students to contribute to engineering solutions to societal challenges. The facility will be located east of Innovation Way West between Unity Avenue and Innovation Way South.
- **Polytechnic Utilities Expansion.** This 3,000 square foot, $17 million modular chiller plant will provide additional chilling capacity to the existing chilled water loop, which will supply existing and future buildings across the growing Polytechnic campus. This includes core facilities already connected to the chilled water loop, such as research labs, food services, the Sun Devil Fitness Center, academic buildings and the Interdisciplinary Science and Technologies Building 12 housing new manufacturing engineering programs described above.

Additional information about the University's capital assets is presented in *Note D – Capital Assets.*

A summary of the University's outstanding debt including average interest rates, final maturity and outstanding balances for its bonds, certificates of participation and financed purchases, is presented in *Note E – Long-Term Debt*. In April 2024, the University issued $383 million in system revenue and refunding bonds to fund three academic and office facilities, the Tempe District Plant, IT and deferred maintenance projects, acquisition of the Nanotechnology Facility, and various refundings of existing series from the 2010 Build America Bonds and the 2017A System Revenue Bonds.

ASU's current system revenue bond ratings are Aa2 by Moody's Investor Services and AA by Standard and Poor's.

ASU's Component Units

ASU has blended financial activity for four of its component units, the Bermuda Institute of Ocean Sciences, the Thunderbird School of Global Management (TSGM), California College of ASU and the ASU Athletic Facilities District.

For its discretely presented component units, the University presents the financial statements on separate pages from the University's basic financial statements. These component units are reported in distinct financial statements due to their use of different financial reporting models than the University and to emphasize their financial and legal separation from the University. ASU component units that are discretely presented in these statements include: ASU Enterprise Partners (ASUEP); Arizona Capital Facilities Finance Corporation (ACFFC); ASU Alumni Association; Arizona State University Research Park, Inc.; Sun Angel Foundation; and ASU Preparatory Academy, Inc. Even though these component units support the University, they are not subsidiaries of the University and the University is not financially obligated for their ongoing activities or liabilities.

For more information on these component units, please refer to *Note B – ASU Component Units* and *Note M – Summary Financial Information for ASU Component Units*.

Condensed Summary of Financial Position for ASU Discretely Presented Component Units *(Dollars in millions)*

	FY 2024	FY 2023
Assets		
Cash and investments	$ 2,086.2	$ 1,954.9
Capital assets, net	119.0	125.7
Receivables, net	359.6	333.0
Other assets	82.6	94.4
Total assets	**$ 2,647.4**	**$ 2,508.0**
Liabilities		
Long-term debt	$ 219.7	$ 258.1
Other liabilities	565.4	529.6
Total liabilities	**$ 785.1**	**$ 787.7**
Net assets		
Without Donor Restrictions - Unrestricted	$ 332.1	$ 303.2
With Donor Restrictions - Temporarily restricted	777.4	714.4
With Donor Restrictions - Permanently restricted	752.8	702.7
Total net assets	**$ 1,862.3**	**$ 1,720.3**

Condensed Summary of Activities for ASU Discretely Presented Component Units *(Dollars in millions)*

	FY 2024	FY 2023
Revenues		
Contributions	$ 233.2	$ 266.6
Other revenues	363.2	290.3
Total revenues	**$ 596.4**	**$ 556.9**
Expenses		
Payments to the benefit of ASU	$ 209.3	$ 168.2
Other expenses	243.0	235.5
Total expenses	**$ 452.3**	**$ 403.7**
Capital and other losses	(2.1)	(1.5)
Increase in net assets	$ 142.0	$ 151.7
Net assets at beginning of year	1,720.3	1,568.6
Net assets at end of year	**$ 1,862.3**	**$ 1,720.3**

Combined ASU and ASU Component Units - The ASU Public Enterprise

The ASU Public Enterprise reflects the financial activity of the University and its discretely presented component units and resulted in an increase in net position/net assets of $336 million for FY 2024, including a $194 million increase for the University and its blended component units and a $142 million increase for the discretely presented component units. Revenues for the discretely presented components units increased $40 million, or seven percent, between years primarily due to a $71 million increase in net investment returns, partially offset by a decrease in contributions of $33 million. Expenses for the component units increased by $49 million, or 12 percent, between years with increases in payments to benefit ASU of $41 million and increases in salaries, wages and benefits of $14 million. Payments to benefit ASU include: gift transfers from the ASU Foundation, payments to vendors on behalf of the University, scholarship fund transfers and rent payments to the University from the discretely-presented component units.

ASU Public Enterprise revenues are presented as gross amounts, excluding the impact of scholarship allowances, which are presented as operating expenses of the ASU Public Enterprise. Financial impacts of transactions between the University and its discretely presented component units during the fiscal years presented are not eliminated in this presentation and are presented consistent with the amounts reported in the audited financial statements for each entity.

Statement of Revenues, Expenses, and Changes in Net Position and Component Units Statement of Activities *(Dollars in millions)*

	FY 2024			FY 2023		
	ASU	ASU Component Units	Total	ASU	ASU Component Units	Total
Operating, nonoperating and capital-related revenues, gross	$ 4,735.6	$ 596.4	$ 5,332.0	$ 4,428.0	$ 556.9	$ 4,984.9
Operating and nonoperating expenses, including scholarship allowances	4,541.5	454.4	4,995.9	4,238.1	405.2	4,643.3
Increase in net position/net assets	$ 194.1	$ 142.0	$ 336.1	$ 189.9	$ 151.7	$ 341.6
Net position/net assets at beginning of year, as restated	2,103.5	1,720.3	3,823.8	1,913.6	1,568.6	3,482.2
Net position/net assets at end of year	**$ 2,297.6**	**$ 1,862.3**	**$ 4,159.9**	**$ 2,103.5**	**$ 1,720.3**	**$ 3,823.8**

The net position increase for the ASU Public Enterprise at June 30, 2024 of $336 million included a $76 million increase in the University and its component units unrestricted net position/net assets without donor restrictions, $135 million increase in net investment in capital assets and a $125 million increase in restricted net position. The University’s discretely presented component units unrestricted net assets increased by $29 million while temporarily restricted and permanently restricted component units net assets increased by $63 million and $50 million, respectively. Restricted net position/net assets for the ASU Public Enterprise represent balances that must be spent in compliance with donor or grantor specifications.

End of the Year Net Position of ASU and Net Assets of ASU Component Units on a Combined Basis *(Dollars in millions)*

	FY 2024			FY 2023		
	ASU	ASU Component Units	Combined	ASU	ASU Component Units	Combined
Net investment in capital assets	$ 1,340.7		$ 1,340.7	$ 1,205.9		$ 1,205.9
Unrestricted net position/net assets without donor restrictions	626.2	$ 332.1	958.3	579.5	$ 303.2	882.7
Restricted net position/net assets with donor restrictions:						
Expendable/Temporarily	216.4	777.4	993.8	209.0	714.4	923.4
Nonexpendable/Permanently	114.3	752.8	867.1	109.1	702.7	811.8
Net position/net assets at end of year	**$ 2,297.6**	**$ 1,862.3**	**$ 4,159.9**	**$ 2,103.5**	**$ 1,720.3**	**$ 3,823.8**

Economic Outlook

The higher education sector continues to navigate a complex landscape shaped by evolving funding mechanisms, shifting student demographics, extraordinary technological advancements and broader societal trends particularly regarding social responsibility and adherence to democratic values. Non-traditional funding avenues which include private sector partnerships, venture capital investments and philanthropic contributions provide significant economic opportunities for universities to pursue. A counter-balance to declining public investments in large research universities, these non-traditional sources of funding are becoming increasingly important to support the core mission of higher education. Shifting demographics and enrollment declines at many institutions are especially presenting financial challenges to private and smaller non-research-intensive regional universities. For all universities, revenue diversification remains a critical component of overall financial stability and market positioning.

For the upcoming 2024-25 academic year, the University honored its tuition pledge to Arizona undergraduate and graduate residents who are in campus immersion programs which caps an annual increase of three percent or less, consistent with the multi-year tuition setting structure enacted by the Arizona Board of Regents. In September 2024, the University announced a modest and temporary tuition surcharge to be applied in the Spring term in response to the multi-year reductions in State investment to higher education. The University continues to return a portion of tuition revenue to students in the form of need-based institutional aid to ensure that financial barriers to entry for students are mitigated to the greatest extent possible. Universal Learner Courses which are risk-free and low-to-zero cost to prospective students, expansion of corporate partnership tuition programs, streamlining transfer processes from community colleges and simplifications to the admittance and financial aid application processes remain areas of particular focus to ensure accessibility for all qualified students to the institution.

Recent recognition for ASU's innovation and educational efforts from external sources include:

- #1 university in the U.S. for innovation, for all ten years the ranking has existed; *(U.S. News and World Report)*
- #1 in the U.S. and top 10 in the world for global impact in research, outreach and stewardship, for the fifth year in a row; *(Times Higher Education)*
- #1 in the U.S. and #2 in the world for sustainable practices; *(Sustainability Tracking, Assessment & Rating System)*
- #1 public university in the U.S. chosen by international students; *(Institute of International Education)*
- #1 highest average multiyear Academic Progress Rate; *(National Collegiate Athletics Association)*
- Top 5 in the U.S. for best online bachelor's programs; *(U.S. News and World Report)*
- Top 5 in the U.S. for total research expenditures among universities without a medical school; *(National Science Foundation)*
- Top 10 in the U.S. for utility patents issued to U.S. universities; *(U.S. National Academy of Inventors)*
- Top 10 in the U.S. for social mobility among top-tier research Universities; *(Wall Street Journal)*

Arizona State University remains committed to ensuring student success through its multi-faceted approach that addresses each student's academic, personal and professional development goals. At the heart of this strategy is the focus on personalized support, experiential learning and innovative student support initiatives to help students navigate their educational journey and reach their full potential. In Fall 2024, the University welcomed 40,800 new students, including 17,000 incoming first-year students which included a record 9,170 new first-year students from Arizona. First-year students at ASU represent all 50 states, plus Washington D.C., and 86 countries. ASU Online, which reached a milestone of 100,000 graduates in the Summer 2024, continues to provide educational opportunities around the world, particularly in areas where it can be difficult to access higher education. The University's strategic focus continues to attract a diverse student body and foster groundbreaking research, and its unwavering commitment to the communities it serves amplifies its role as a leading global institution dedicated to making a tangible impact on society.

Cautionary Note Regarding Forward-Looking Statements

Certain information provided by the University, including written as outlined above or oral statements made by its representatives, may contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995.

All statements, other than statements of historical facts, which address activities, events or developments that the University expects or anticipates will or may occur in the future contain forward-looking information. In reviewing such information, it should be kept in mind that actual results may differ materially from those projected or suggested in such forward-looking information. This forward-looking information is based upon various factors and was derived using various assumptions.

The University does not undertake to update forward-looking information contained in this report or elsewhere to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking information.

Statement of Net Position

June 30, 2024 *(Dollars in thousands)*

Assets		
Current Assets:		
Cash and cash equivalents (Note C)	$	289,698
Short-term investments (Note C)		53,623
Accounts receivable, net (Note A)		462,251
Lease receivables (Note G)		5,124
Other assets		18,710
Total Current Assets	$	829,406
Noncurrent Assets:		
Restricted cash and cash equivalents (Note C)	$	356,171
Endowment investments (Note C)		459,444
Other investments (Note C)		1,092,270
Student loans receivable, net (Note A)		2,649
Lease receivables (Note G)		102,735
Other postemployment benefits asset (Note K)		21,743
Other assets		286
Capital assets, net (Note D)		4,087,901
Total Noncurrent Assets	$	6,123,199
Total Assets	**$**	**6,952,605**
Deferred Outflows of Resources		
Interest rate swap (Note F)	$	2,397
Unamortized loss on refunding debt		17,087
Pensions related (Note J) and other postemployment benefits (Note K)		171,875
Total Deferred Outflows of Resources	**$**	**191,359**
Liabilities		
Current Liabilities:		
Accounts payable and accrued liabilities	$	139,132
Compensated absences (Note H)		29,752
Unearned revenues		407,266
Funds held for others		27,691
Lease and subscription liabilities (Note G)		31,999
Current portion of long-term debt (Note E)		183,414
Total Current Liabilities	$	819,254
Noncurrent Liabilities:		
Compensated absences (Note H)	$	55,137
Other liabilities		28,664
Derivative instrument - Interest rate swap (Note F)		2,397
Net Pension (Note J) and other postemployment benefits liability (Note K)		784,482
Lease and subscription liabilities (Note G)		271,750
Long-term debt (Note E)		2,517,149
Total Noncurrent Liabilities	$	3,659,579
Total Liabilities	**$**	**4,478,833**
Deferred Inflows of Resources		
Unamortized gain on refunding debt	$	2,824
Pensions related (Note J) and other postemployment benefits (Note K)		259,510
Leases		105,221
Total Deferred Inflows of Resources	**$**	**367,555**
Net Position		
Net investment in capital assets	$	1,340,722
Restricted (Total of $330,697):		
Nonexpendable:		
Student aid		97,130
Academic department uses		17,131
Expendable:		
Student aid		92,217
Academic department uses		116,917
Debt service		7,302
Unrestricted		626,157
Total Net Position	**$**	**2,297,576**

See Notes to Financial Statements.

Statement of Financial Position

June 30, 2024 *(Dollars in thousands)*

Assets	
Cash and cash equivalents	$ 69,576
Pledges receivables, net	262,480
Other receivables, net	97,123
Investments in securities	1,948,669
Other investments	67,965
Other assets	59,121
Net investment in direct financing leases	23,521
Property and equipment, net	118,956
Total Assets	**$ 2,647,411**
Liabilities	
Accounts payable and accrued liabilities	$ 44,774
Deferred revenue	14,574
ASU endowment trust liability	445,190
Other liabilities	49,477
Lease liabilities	11,390
Long-term debt	219,719
Total Liabilities	**$ 785,124**
Net Assets	
Without Donor Restrictions - Unrestricted	$ 332,122
With Donor Restrictions - Temporarily restricted	777,373
With Donor Restrictions - Permanently restricted	752,792
Total Net Assets	**$ 1,862,287**

See Notes to Financial Statements.

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2024 *(Dollars in thousands)*

Operating Revenues	
Student tuition and fees, net of scholarship allowances of $627,496	$ 2,028,283
Research grants and contracts, including $365,368 in federal funding, $30,330 in state funding and $122,427 in nongovernmental funding	520,276
Sales and services -	
Auxiliary enterprises, net of scholarship allowances of $20,946	250,411
Educational departments	108,220
Other revenues	23,713
Total Operating Revenues	$ 2,930,903
Operating Expenses (Note I)	
Educational and general -	
Instruction	$ 1,249,919
Research	497,893
Public service	65,213
Academic support	529,589
Student services	232,229
Institutional support	249,379
Operation and maintenance of plant	166,685
Scholarships and fellowships	328,277
Auxiliary enterprises	237,058
Depreciation and amortization	231,719
Total Operating Expenses	$ 3,787,961
Operating Loss	$ (857,058)
Nonoperating Revenues (Expenses)	
State appropriations	$ 423,778
Share of state sales tax - technology and research initiatives fund	42,221
Financial aid grants, including $243,904 in federal funding	244,649
Grants and contracts, including $118,881 in federal funding, $17,123 in state funding and $21,078 in nongovernmental funding	158,227
Private gifts	109,185
Net investment return	126,086
Interest on debt, leases and subscriptions	(90,472)
Other expenses	(14,635)
Net Nonoperating Revenues	$ 999,039
Income Before Other Revenues and Gains	$ 141,981
Capital appropriations, including Research and University Capital Infrastructure	$ 26,508
Capital commitments, including Arizona Lottery revenue	7,887
Capital private gifts	6,023
Capital grants	11,685
Additions to permanent endowments	5
Increase in Net Position	$ 194,089
Net Position at Beginning of Year	2,103,487
Net Position at End of Year	**$ 2,297,576**

See Notes to Financial Statements.

Statement of Activities

Year ended June 30, 2024 *(Dollars in thousands)*

	Without Donor Restrictions	With Donor Restrictions: Temporarily Restricted	With Donor Restrictions: Permanently Restricted	Totals
Revenues				
Contributions	$ 23,202	$ 163,612	$ 46,356	$ 233,170
Rental revenues	33,050			33,050
Sales and services	72,536			72,536
Net investment return	34,998	103,836	2,851	141,685
Net assets released from restrictions	209,396	(210,283)	887	
Grants and aid	72,687	6,721		79,408
Other revenues	36,103	388	31	36,522
Total Revenues	$ 481,972	$ 64,274	$ 50,125	$ 596,371
Expenses				
Payments to the benefit of ASU -				
Cash donation transfers to ASU	$ 171,283			$ 171,283
Vendor payments	13,372			13,372
Scholarship fund transfers to ASU	15,060			15,060
Rent payments to ASU	9,623			9,623
Management and general	202,064			202,064
Interest expense	7,274			7,274
Depreciation/amortization	12,062			12,062
Other expenses	21,557			21,557
Total Expenses	$ 452,295			$ 452,295
Increase in Net Assets, before Special Item and Losses	$ 29,677	$ 64,274	$ 50,125	$ 144,076
Special Item: Equity Transfer	(463)			(463)
Loss on Lease Revaluation due to Bond Refunding	(157)			(157)
Loss on Uncollectible Pledges		(1,248)		(1,248)
Loss on Disposal of Assets	(183)			(183)
Increase in Net Assets, after Special Item and Losses	$ 28,874	$ 63,026	$ 50,125	$ 142,025
Net Assets at Beginning of Year	303,248	714,347	702,667	1,720,262
Net Assets at End of Year	**$ 332,122**	**$ 777,373**	**$ 752,792**	**$ 1,862,287**

See Notes to Financial Statements.

Statement of Cash Flows

Year ended June 30, 2024 *(Dollars in thousands)*

Cash Flows from Operating Activities		
Student tuition and fees	$	1,977,545
Research grants and contracts		487,502
Sales and services of auxiliary enterprises		255,899
Sales and services of educational activities		109,902
Payments for employees' salaries and benefits		(2,015,856)
Payments to vendors for supplies and services		(1,147,609)
Payments for scholarships and fellowships		(321,653)
Funds held for others received		413,254
Funds held for others disbursed		(420,933)
Other receipts		6,116
Net cash used for operating activities	$	(655,833)
Cash Flows from Noncapital Financing Activities		
State appropriations	$	410,606
Share of state sales tax - technology and research initiatives fund		67,746
Grants and contracts		407,195
Private gifts for other than capital purposes		108,778
Direct lending program receipts		765,779
Direct lending program disbursements		(766,912)
Net cash provided by noncapital financing activities	$	993,192
Cash Flows from Capital and Related Financing Activities		
Capital appropriations, including Research and University Capital Infrastructure	$	26,508
Capital commitments and Build America Bonds - federal subsidy		9,957
Capital gifts and grants		8,149
Proceeds from issuance of capital debt		342,354
Proceeds from sale of capital assets		2
Purchases of capital assets		(466,829)
Principal paid on capital debt, leases and subscriptions		(120,964)
Interest paid on capital debt, leases and subscriptions		(112,945)
Net cash used for capital and related financing activities	$	(313,768)
Cash Flows from Investing Activities		
Purchases of investments, net		(27,693)
Interest received on investments		82,506
Net cash provided by investing activities	$	54,813
Net increase in cash and cash equivalents		78,404
Cash and cash equivalents at beginning of year		567,465
Cash and cash equivalents at end of year	**$**	**645,869**

Reconciliation of operating loss to net cash used for operating activities:		
Operating loss	$	(857,058)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation and amortization		231,719
Miscellaneous nonoperating expenses		(16,805)
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:		
Net pension and other postemployment benefits liability		(50,092)
Other postemployment benefits asset		(21,743)
Deferred outflows of resources related to pensions and other postemployment benefits		14,666
Deferred inflows of resources related to pensions and other postemployment benefits		72,443
Receivables, net		(49,888)
Accounts payable and accrued liabilities		(8,872)
Unearned revenues		1,401
Compensated absences		31,704
Funds held for others		(5,253)
Other assets		1,945
Net cash used for operating activities	$	(655,833)

Significant Noncash Transactions	
Refinancing of long-term debt	222,164
Net intangible right-of-use lease and subscription asset additions/deletions	65,392
Unrealized gain on investments and endowments	43,370
Compensated absences	31,704
Amortization of bond premiums and discounts	29,724
State appropriations receivable	13,172

See Notes to Financial Statements.

June 30, 2024

Note A - Basis of Presentation and Significant Accounting Policies

The accounting policies of Arizona State University (ASU, University) conform to U.S. generally accepted accounting principles applicable to public institutions engaged only in business-type activities adopted by the Governmental Accounting Standards Board (GASB).

Reporting Entity

Arizona State University is one of the largest public research universities in the United States under a single administration. Located on four campuses across metropolitan Phoenix, ASU had fall 2023 enrollment of 145,681 students. The accompanying statements of the University include the activity of the Tempe campus, West campus (located in northwest Phoenix adjacent to Glendale), Polytechnic campus (located in Mesa) and the Downtown Phoenix campus, and the University's online degree programs, as well as its component units. Information on component units can be found in *Note B - ASU Component Units and Note M - Summary Financial Information for ASU Component Units*.

For financial reporting purposes, the University's portion of the statements includes those funds directly controlled by the University. Control by the University is determined on the basis of financial accountability. The University is classified as a state instrumentality. Fiscal responsibility for the University remains with the State of Arizona and the University is reported as an enterprise fund in the State of Arizona's *Annual Comprehensive Financial Report*.

ASU's Basis of Presentation and Accounting

The accompanying financial statements of the University include a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows, each of which provide a comprehensive, entity-wide perspective of the University. The statement of net position provides information about the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the University at the end of the fiscal year. Assets and liabilities are classified as either current or noncurrent. Net position is classified according to external donor restrictions, or availability of assets to satisfy the University's obligations. The statement of revenues, expenses, and changes in net position provides information about the University's financial activities during the fiscal year. Revenues and expenses are classified as either operating or nonoperating, and all changes in net position are reported, including capital additions and additions to endowments. The statement of cash flows provides information about the University's sources and uses of cash and cash equivalents during the year. Increases and decreases in cash and cash equivalents are classified as operating, noncapital financing, capital and related financing, or investing activities.

For financial reporting purposes under GASB, the University is considered a public institution engaged only in business-type activities. Accordingly, the University's financial statements have been presented under the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus emphasizes the long-term effects of operations on overall net resources (i.e., total assets, total deferred outflows of resources, total liabilities, and total deferred inflows of resources). The statement of revenues, expenses, and changes in net position prepared using the economic resources measurement focus includes only transactions and events that increase or decrease net position during the year. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred, or benefit has been received. All significant intra-university transactions have been eliminated.

The following new GASB Statement was effective for the current year:

GASB Statement No. 101, *Compensated Absences*, establishes standards of accounting and financial reporting for compensated absences and associated salary-related payments, including certain defined contribution pensions and defined contribution other postemployment benefits. A compensated absence is defined as leave for which employees may receive one or more cash payments when the leave is used for time off, other cash payments, such as payment for unused leave upon termination of employment, or noncash settlements, such as conversion to defined postemployment benefits. The statement requires recognition of current and noncurrent liabilities for compensated absences in the financial statements for leave that has not been used and for leave that has been used but not yet paid or settled as of the date of the financial statements that management reasonably estimates will be used in future periods.

Summary of Significant Accounting Policies

Cash and cash equivalents. In accordance with GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, all highly liquid investments with an original maturity of three months or less, are considered to be cash and cash equivalents. Funds invested in money market funds or through the State Treasurer's Local Government Investment Pool are also considered cash equivalents. In accordance with GASB, all restricted cash and cash equivalents, including funds held by a bond trustee, are shown as noncurrent cash and cash equivalents.

Endowment Spending Rate Policy. Arizona state law permits the University to expend the entire net appreciation of endowment fund investments. When determining the spending rate for endowment funds, the University administration considers long and short-term needs, total investment return and price level trends and general economic conditions. For FY 2024, the spending rate utilized the constant growth formula which increases spending distributions by the trailing one-year inflation rate (as measured by CPI-U, Consumer Price Index for all Urban Consumers) mid-fiscal year, as long as distributions do not exceed 4.25 percent or fall below 3.25 percent of the trailing 12-quarter average market value of each endowment fund. The inflation rate used was 3.4 percent for FY 2024.

Investments. Short-term, endowment, and other investments are stated at fair value at June 30, 2024. Fair value typically is the quoted market price for investments. Investment returns include interest and dividend earnings, as well as realized and unrealized gains and losses on investments.

Accounts receivable. Total accounts receivable at June 30, 2024 were $462.3 million. Included in the receivables balance are $203.5 million related to tuition and fee payments due from students and others making payments on behalf of students. Additionally, there are $192.5 million in receivables from grant and contract sponsors primarily for the reimbursement of allowable expenses made pursuant to the University's grants and $13.2 million in receivables for Arizona Teachers Academy state appropriations from the Arizona Board of Regents.

Student loans receivable. Loans receivable from students bear interest primarily at five percent and are generally repayable in installments to the University over a ten-year period commencing nine months from date of separation from the University. Student loans receivable is recorded net of an allowance for estimated uncollectible amounts and related collection costs.

Capital assets. Capital assets are recorded at cost at the date of acquisition. Capital assets that are gifted to the University are recorded at acquisition value at the date of donation. The University's capitalization policy includes all equipment, works of art and historical treasures with a unit cost of $5,000 or more. In addition, all equipment under a unit cost of $5,000 purchased in bulk for a newly constructed, acquired, or leased facility to become initially operational is also capitalized on a vintage concept basis and depreciated over five years. All library resources acquired for use in University libraries are capitalized as a collection. Intangible subscription right-of-use assets and other intangible assets with a unit price of $5,000,000 or more are subject to subscription accounting or are capitalized, respectively. Intangible right-of-use lease assets of $500,000 or more are subject to lease accounting. New construction, as well as renovations to buildings, infrastructure, and land acquisitions and improvements that have a project cost of at least $100,000 are capitalized. Non-capital equipment and facility costs, routine repairs, and maintenance are charged to operating expenses in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 40 years for non-research buildings and infrastructure, 10 to 50 years for research buildings, 10 years for library resources, 7 years for intangible assets, and 5 to 12 years for equipment. Intangible right-of-use lease and subscription assets are amortized on a straight-line basis over the shorter of the lease/subscription term or useful life of the underlying asset. Unless the lease contains a purchase option that the University has determined is reasonably certain of being exercised - then the lease asset is amortized over the useful life of the underlying asset. For additional information, please see *Note D - Capital Assets* and *Note G – Leases and Subscription-Based Information Technology Arrangements*. The University does not depreciate works of art and historical treasures that are considered inexhaustible and are held for exhibition, education, research, and public service.

The University utilizes the componentized depreciation method for its research buildings, which is consistent with the method used for government cost-reimbursement purposes. Under the componentized depreciation method, building costs are segregated into component categories with useful lives ranging from 10 to 50 years, and depreciated on a straight-line method basis.

Compensated absences. Compensated absences are employee vacation leave balances earned but not used at fiscal year end and sick leave balances earned by not used at fiscal year end that the University reasonably estimates that employees will utilize in future periods. Vacation leave and sick leave benefits are accrued as a liability on the statement of net position and reported as an expense in the statement of revenues, expenses, and changes in net position.

Unearned revenues. Unearned revenues consist primarily of student tuition and fees and sponsored grants activities related to the ensuing year. Also included are amounts received from athletic and cultural events which have not yet been earned.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to or deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other postemployment benefits (OPEB). For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expenses, information about the OPEB plans and additions to or deductions from have been determined on the same basis as they are reported by the plans.

Leases and subscription-based information technology arrangements.

Leases

The University, as lessee, leases real estate and equipment and determines the classification of the lease at commencement of the contract. For leases that have a maximum possible term of 12 months or less at commencement, assuming all possible lease extensions contemplated in a given lease, the University recognizes an outflow of resources based on the provisions of the contract. For all leases in excess of 12 months and that do not have mutual termination provisions, do not transfer the asset to the University at the termination of the lease, and are exchange or exchange-like transactions, the University recognizes an intangible right-of-use lease asset and a corresponding lease liability. The lease liability is measured at commencement of the lease based on the present value of the future minimum lease payments expected to be made. The lease liability is reduced by the principal portion of the payments made with a corresponding interest expense component. The intangible right-of-use lease asset is initially measured at the value of the lease liability, plus any payments made prior to lease commencement plus direct costs incurred to place the asset into service, less any incentives received prior to commencement.

Key estimates and judgements include the determination of the discount rate used to calculate the present value of the lease payments, the lease term and the lease payments. The University utilizes the rate implicit in the lease when it is readily determinable, otherwise the University employs professional judgement to determine the best estimate, generally derived from the incremental borrowing rate based on the University's most recent taxable debt issuance.

The University's threshold for lease accounting, as both the lessee and lessor, is for all leases where the present value of the minimum lease payments is $500,000 or more for both equipment and real property.

The University, as lessor, leases real estate and equipment to third parties and determines the classification of the lease at commencement of the contract. For leases where the University is the lessor, a lease receivable and deferred inflow of resources is recognized at the inception of the lease. The lease receivable is recorded at the present value of the future payments using the stated rate in the lease or, if not readily determined, at the University's incremental borrowing rate utilizing professional judgment as described above. Over the lease term, the University recognizes revenue from interest income and the amortization of the deferred inflow of resources on a straight-line basis.

Subscription-based information technology arrangements (SBITA)

The University's threshold for SBITA accounting, is for all subscriptions where the present value of the minimum subscription payments is $5,000,000 or more. The University uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate implicit in the arrangement. The University's estimated incremental borrowing rate is calculated using the same methodology as for leases. In addition to recording a intangible subscription right-of-use asset and corresponding subscription liability, certain subscription implementation costs are included in the value of the subscription right-of-use assets and amortized over the remaining subscription term.

Net investment return. Net investment return is composed of interest, dividends, and net changes in the fair value of applicable investments associated with realized and unrealized gains and losses.

Derivative instrument - Interest rate swap. In accordance with GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, the University records the hedging derivative instrument on the statement of net position by presenting a liability for the fair value of the derivative instrument at fiscal year end and a deferred outflow of resources.

Net position. The University's net position is classified based on the following three categories:

- Net investment in capital assets: includes capital assets, net of accumulated depreciation, amortization and outstanding principal balances of debt, lease and subscription obligations attributable to the acquisition, construction, or improvement of those assets.
- Restricted:
    - Nonexpendable – gifts that have been received for endowment purposes, the corpus of which cannot be expended.
    - Expendable – gifts, grants, contracts, earnings on endowments, expendable gifts that have been received for endowment purposes and other resources that have been externally restricted for specific purposes.
- Unrestricted: all other resources, including those designated by management for specific purposes. Substantially all unrestricted resources are internally designated for academic and research programs, strategic investments and capital projects.

When an expense is incurred that can be paid from either restricted or unrestricted resources, the University's policy is to allow the department incurring the expense to determine the appropriate funding source. Factors used by departments to determine which resources to use include relative priorities of the department in accordance with the University's strategic initiatives, externally imposed matching requirements of certain restricted funds, and any pertinent lapsing provisions of the available restricted or unrestricted funding resources. Major capital purchases are regularly split-funded from multiple restricted and unrestricted funding sources.

Revenues/Expenses. Revenues and expenses are classified as operating or nonoperating. Operating expenses are those incurred in conducting the primary programs and services of the University. Operating revenues generally result from exchange and exchange-like transactions. Accordingly, revenues derived from tuition and auxiliary charges are considered to be operating revenues. In addition, grants and contracts for the purposes of providing research are considered operating revenues because of the exchange and exchange-like nature of these activities (i.e., funding is provided to acquire property or activity for the government's direct benefit). Other revenues, such as state appropriations, gifts and non-research grants and contracts not generally generated from exchange transactions, are considered to be nonoperating revenues.

Nonexchange grants and contracts include those for the purpose of student financial aid, primarily Pell financial aid grants, and those for purposes other than organized research, since the providers of these grants and contracts do not typically receive direct benefits of equal or significant value, for those grants and contracts. Operating expenses, in accordance with GASB Statement No. 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities—an amendment of GASB Statement No. 34*, include salaries, wages, benefits, supplies, services, and depreciation and amortization of capital assets, irrespective as to whether the funding source associated with these expenses are operating or nonoperating revenues. Other expenses, such as interest expense on debt, are considered to be nonoperating expenses.

Scholarship allowances. Student tuition and fee revenues and other student related auxiliary revenues are reported net of scholarship allowances in the statement of revenues, expenses, and changes in net position. Scholarship allowances are the difference between the stated charge for services provided by the University, and the amount that is paid by the students (and/or third parties making payments on a student's behalf). To the extent that revenues from programs such as Pell grants and University funded scholarships are used to satisfy tuition and fees, and other student charges, the University has recorded a scholarship allowance.

Not included in scholarship allowances is $32.7 million in faculty and staff tuition waivers that are recorded as program expenses on the statement of revenues, expenses, and changes in net position and as personal services and benefits expenses, in *Note I - Operating Expenses by Natural Classification*.

Share of state sales tax - technology and research initiative fund (TRIF). As the governing board of the three state universities, the Arizona Board of Regents (ABOR) administers the portion of the Education 2000 (Proposition 301) sales tax which funds the universities' TRIF initiatives. ABOR receives funding requests from each university and determines the amount and duration of awards. The Governor and the Legislature receive an annual report from ABOR which includes a detailed set of performance measures used to determine the overall effectiveness of each TRIF funded initiative.

Note B - ASU Component Units

ASU's component units are separate legal entities controlled and governed by independent boards of directors whose goals are to support the University or have a close affiliation with the University. Even though these organizations support the University or have a close affiliation with the University, they are not subsidiaries of the University and, with the exception of the Bermuda Institute of Ocean Sciences, the Thunderbird School of Global Management, the ASU Athletic Facilities District and California College of ASU, they are neither directly nor indirectly controlled by the University. The University does not have ownership of the financial and capital resources or assets of the component units and does not have the authority to mortgage, pledge, or encumber the assets of these organizations.

Component units can be defined as legally separate entities for which the University is considered to be financially accountable. GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an Amendment of GASB Statements No. 14 and No. 34*, have set forth criteria to be considered in determining financial accountability. For organizations that previously were required to be included as component units by meeting the fiscal dependency criterion under GASB Statement No. 14, a financial benefit or burden relationship also would need to be present between the primary government and the organization for it to be included in the reporting entity as a component unit. Further, for organizations that do not meet the financial accountability criteria for inclusion as component units are nevertheless included because the primary government's management determines that it would be misleading to exclude them. GASB Statement No. 61 clarifies the manner in which that determination should be made and the types of relationships that generally should be considered in making that determination. GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units - an Amendment of GASB Statement No. 14*, provides additional criteria for determining whether certain organizations are component units. GASB Statement No. 80, *Blending Requirements for Certain Component Units - an Amendment of GASB Statement No. 14*, amends the blending requirements for component units that are incorporated as a not-for-profit corporation in which the primary government is the sole corporate member.

Organizations that are legally separate, tax-exempt entities and that meet all of the following criteria should also be considered component units, with discrete presentation. These criteria are (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the University, its component units, or its constituents; (2) the University or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the University, or its component units, is entitled to, or has the ability to otherwise access, are significant to the University.

Financial statements of these component unit organizations are audited by independent auditors. All of the component units except for the Bermuda Institute of Ocean Sciences have a fiscal year end of June 30, 2024. The Bermuda Institute of Ocean Sciences operates on a calendar year and has a fiscal year end of December 31, 2023. Because the University's discretely presented component units use a non-governmental generally accepted accounting principles (GAAP) reporting model, the University has chosen to present the discretely presented component units' aggregated financial information on pages separate from the financial statements of the University. To obtain individual audited financial statements for any of the University's component units, please contact ASU Financial Services at (480) 965-3601.

Blended Component Units

Bermuda Institute of Ocean Sciences

The Bermuda Institute of Ocean Sciences (BIOS), a New York nonprofit corporation, is reported as a blended component unit and included in the University's financial statements. BIOS primarily exists to benefit the University by providing an Atlantic Ocean hub for research and instructional activities. The University directs the activities of BIOS through the BIOS Board of Trustees and through its integration into the operations of the ASU Julie Ann Wrigley Global Futures Laboratory. BIOS holds assets that are material to its overall financial position, primarily the BIOS campus and its research boat fleet, which are all controlled and managed by the University and used to support the University's research and academic programs.

Thunderbird School of Global Management

The Thunderbird School of Global Management (TSGM), an Arizona nonprofit corporation, is reported as a blended component unit and included in the University's financial statements. TSGM primarily exists to benefit the University by providing a platform for global education programming.

ASU Athletic Facilities District

The ASU Athletic Facilities District (AFD), a single university athletic facilities district, is reported as a blended component unit and included in the University's financial statements. The AFD is formed pursuant to the provisions of Arizona Revised Statutes (A.R.S.) Title 48, Chapter 26 and Maricopa County Resolution No. C-20-12-017-M-00. The AFD supports the University's efforts to construct, reconstruct, finance, furnish, maintain and improve intercollegiate athletic facilities located on ASU's property, including utilities, roads, parking areas or buildings necessary for full use of the athletic facilities.

The AFD resides within the Novus Innovation Corridor.

California College of ASU

California College of ASU (CC-ASU), a California nonprofit corporation, is reported as a blended component unit and included in the University's financial statements. CC-ASU is a higher education learning community that promotes creativity, innovation and growth through instruction and collaboration with programs that provide a challenging liberal arts education. CC-ASU primarily exists to collaborate with the University to create and implement programs that are compatible with ASU programs, provide license to and use of CC-ASU IP rights and to strengthen the University's profile and presence in the California market.

Discretely Presented Component Units

Arizona State University's discretely presented component units, all Arizona nonprofit corporations, include three major component units, ASU Enterprise Partners (ASUEP), the Arizona Capital Facilities Finance Corporation (ACFFC) and ASU Preparatory Academy Inc. (ASU Prep) and several smaller component units listed below. The University has determined that ASUEP, ACFFC and ASU Prep are major component units based on an evaluation of (1) services provided by the component unit to the University are such that separate reporting as a major component unit is considered to be essential to financial statement users, (2) significant transactions with the University, or (3) significant financial benefit or burden relationship with the University.

A description of the University's discretely presented component units and the basis for including each as a component unit in the University's financial report follows.

- ASU Enterprise Partners - disburses resources at the discretion of its independent board of directors, in accordance with donor directions and ASU Enterprise Partners policy. The majority of assets held by the ASU Enterprise Partners are endowments restricted for donor specified programs and purposes, the principal of which may not be spent. The directors of the ASU Enterprise Partners make all decisions regarding the ASU Enterprise Partners business affairs, including distributions made to the University. Affiliates of ASUEP include: Arizona State University Foundation for a New American University (ASU Foundation), ASU Research Enterprise, Enterprise Collaboratory at ASU and Subsidiaries (formally known as Research Collaboratory at ASU), ASU Enterprise Partners Outreach Hub, Skysong Innovations (formally known as Arizona Science and Technology Enterprises, LLC), University Realty LLC and Newswell. In FY 2024, the ASU Enterprise Partners distributed $153.5 million in cash donation transfers to the University.
- ASU Alumni Association - receives funds primarily through donations, dues, and affinity partners, which are used to promote the welfare of the University and its alumni.
- Sun Angel Foundation - receives funds primarily through donations and contributes funds to the University in support of various athletic programs.

The three component units above meet all of the criteria for a legally separate, tax-exempt organization to be reported discretely as a component unit. The economic resources held by these component units are for the direct benefit of the University and the University has the ability to access their economic resources and the economic resources of these component units are significant to the University.

- Arizona Capital Facilities Finance Corporation - provides facilities for use by students of the University or the University itself.
- Arizona State University Research Park, Inc. (Park) - manages a research park to promote and support research activities, in coordination with the University.

Per GASB Statement No. 14, as amended by GASB Statement No. 61, a fiscal dependency and financial benefit/burden exists between the University and these two component units. ACFFC and the Park do not meet the blending requirements since each component unit has a separate board of directors, services provided by the component units do not exclusively benefit the University and the total debt outstanding of the component units is not expected to be paid entirely or almost entirely with University resources.

ASU Preparatory Academy, Inc. - prepares Arizona K-12 students for success with a university-embedded academic program that empowers them to complete college, compete globally and contribute to their communities. The University is able to impose its will on the entity and the University appoints the voting majority of its board. Additionally, a fiscal dependency and financial benefit/burden exists between the University and ASU Prep. ASU Prep does not meet the blending requirements in GASB Statement No. 14, as amended by GASB Statement No. 61, since its board of directors is not substantively the same as ASU, the services it provides do not exclusively benefit the University, any outstanding debt of the entity is not expected to be repaid from University resources and the University is not the sole corporate member of the entity.

For financial reporting purposes at the University level, only the discretely presented component units' statement of financial position and statement of activities are included in the University's financial statements as required by generally accepted accounting principles for public colleges and universities.

Note C - Cash and Investments

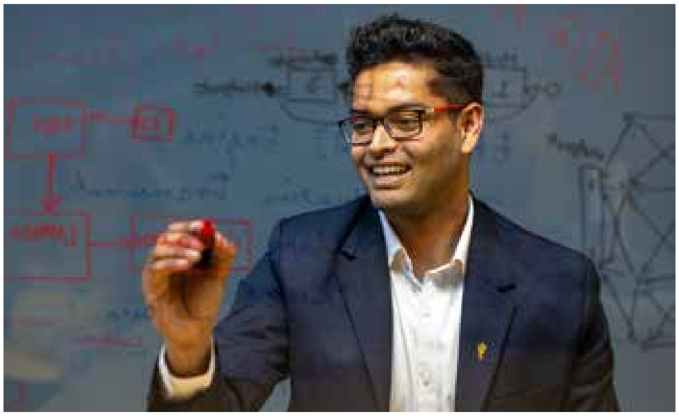
General

The University's deposits and investments are discussed below in our analysis of deposit and investment risk, as required by GASB Statement No. 40, *Deposit and Investment Risk Disclosures—an amendment of GASB Statement No. 3*; and fair value of investment assets, as required by GASB Statement No. 72, *Fair Value Measurement and Application*.

Included in the University's deposits and investments are $356.2 million in capital projects and bond debt service funds, which are held in trust and invested with the bond trustee, $289.7 million in cash and cash equivalents, and $1,145.9 million in short-term and other investments. In addition, of the $459.4 million in endowment funds, $445.2 million is managed by the ASU Foundation and $14.2 million is part of the Bermuda Institute of Ocean Sciences (BIOS), Inc. endowment. The funds managed by the ASU Foundation, an Arizona nonprofit corporation, are held in pooled endowment funds under a service contract with the ASU Foundation and invested in the ASU Foundation Long Term Investment Pool and the Sustainable Responsible Impact Pool (Pool).

The ASU Foundation is responsible for oversight establishing investment policies and management of the Pool. The endowment assets managed by the ASU Foundation are maintained separately on the financial system of the ASU Foundation and receive a proportional share of the Pool activity. As such, the ASU Foundation owns the assets of the Pool; the University has an interest in the Pool, which is considered an external investment pool to the University. The Pool invests in a variety of asset classes, including common stocks, fixed-income, foreign investments, private equity and hedge funds. The ASU Foundation Endowment Pool is not registered with the Securities and Exchange Commission as an investment company.

The ASU Foundation Board of Directors-appointed Investment Committee, which includes members of the ASU Foundation Board of Directors, is responsible for oversight of the Pool in accordance with ASU Foundation



and ASU Enterprise Partners policies. The fair value of the University's position in the Pool is based on the University's proportionate share of the Pool, which is marked-to-market monthly. For additional information refer to *Note M - Summary Financial Information for ASU Component Units*. The University also participates in the Arizona Student Financial Aid Trust, which was established by the Arizona Board of Regents (ABOR) and is funded by the Arizona State Legislature and student fees.

Statutory and Board of Regents' Policies

For nonendowment (operating) funds, Arizona Revised Statutes (Statutes) requires that deposits of the University not covered by federal deposit insurance be secured through participation in the State of Arizona Collateral Pool administered by the State Treasurer's Office which holds pledged collateral of at least 102 percent of uninsured deposits in eligible depositories. Further policy regarding deposits is provided by the Arizona Board of Regents. The Statutes do not specifically address investment policy of the universities, rather ABOR policy governs in this area. ABOR policy requires that each university arrange for the safekeeping of securities by a bank or other financial institutions approved by ABOR. ABOR and University investment policies applicable to University investments are consistent with the Arizona State Treasurer's authorizing statutes and investment policy. Investment of capital project funds are governed by the financing indenture agreements. With regard to endowments, ABOR policy dictates that these funds are to be invested under the direction of an investment committee designated by the president of each university.

At Arizona State University, the Investment Committee is responsible for advising on the definition, development and implementation of investment objectives, policies, and restrictions. However, if donors restrict the investments, ABOR policy requires that the University invest those funds separately as directed by the donor, and the individual endowments bear all changes in value.

ABOR policy addresses requirements for concentration of credit risk and interest rate risk, but neither ABOR policy nor the Statutes include any specific requirements on foreign currency risk for investments of the universities. The State of Arizona Board of Investment provides oversight for the State of Arizona Treasurer's pools. The fair value of a participant's portion in the pool approximates the value of that participant's pool shares and the participant's shares are not identified with specific investments.

Deposit and Investment Risk

Custodial Credit Risk. University policy for its operating funds requires collateralization for all certificates of deposit and repurchase agreements. Beyond this requirement and those established by Statute or ABOR, the University does not have a policy that specifically addresses custodial credit risk.

Credit Quality Rating for Debt Securities at June 30, 2024 *(Dollars in thousands)*							
			Standard and Poor's				
Investment Description	**Fair Value**	**Not Rated**	**AAA/AAAm/ AAAf**	**A-1+/SP-1+ AA**	**A-1/SP-1 A**	**BBB**	**<BB**
Money market mutual funds	$ 640,786		$ 640,786				
Corporate bonds	470,889	$ 7,630	3,888	$ 2,878	$ 184,293	$ 270,374	$ 1,826
Federal agency securities	116,338			116,338			
Asset backed securities	115,501	24,988	89,037	598		878	
Mortgage backed securities	22,198	17,484	4,714				
Municipal bonds	13,213	1,453	528	7,426	3,806		
Commercial paper	2,350	2,350					
State of Arizona LGIP (Pool 5)	1,742		1,742				
Certificate of Deposit	1,450	1,450					
Total	**$ 1,384,467**	**$ 55,355**	**$ 740,695**	**$ 127,240**	**$ 188,099**	**$ 271,252**	**$ 1,826**

Credit Risk. With regard to credit risk, ABOR policy requires that negotiable certificates of deposit, corporate bonds, debentures and notes, bankers acceptances and State of Arizona bonds carry a minimum BBB or better rating from Standard and Poor's Rating Service or Baa or better rating from Moody's Investors Service at the time of purchase and that the investment will be sold in an orderly manner or held until maturity without further investments being made if it falls below this credit rating; and that commercial paper be rated by at least two nationally recognized statistical rating organizations (NRSROs) and be of the two highest rating categories for short-term obligations of at least two of the NRSROs. Capital projects and bond debt service funds are invested by the bond trustee in accordance with the applicable financing indenture, generally limited to United States Treasury securities and other Federal agency securities, certificates of deposit (minimum rating of P-1/A-1), commercial paper (minimum rating of P-1/A-1+), and money market funds rated AAAm or better invested in short-term debt securities. The University does not have a formal policy that specifically addresses credit risk over endowment funds. The endowment funds managed by the ASU Foundation are invested in an unrated external investment pool subject to the ASU Enterprise Partners investment policy. The investment committee that directs the investments held in the Pool manages the credit risk associated with the Pool by following the credit quality and guideline restrictions stated in the investment policy.

Concentration of Credit Risk. Other than United States Treasury securities and other federal agency securities, which can represent greater than five percent of total investments, University policy limits investment in a single issuer to five percent or less of the fair value of the total portfolio. Except for those issuers allowed by policy, the University does not have an investment in any single issuer that exceeds five percent of the overall portfolio. At June 30, 2024, the University had investments in United States Treasuries of $379.6 million or 16.5 percent of total investments.

Interest Rate Risk. ABOR and University policies do not limit the overall maturity of the investments held by the operating and endowment funds, however, the operating fund investment policy includes guidelines addressing diversification and liquidity. The capital projects funds portfolio is not limited as to the overall maturity of its investments, with the funds invested per the financing indentures to coincide with capital spending needs and debt service requirements, which are typically less than three years, with the additional limitation that certificates of deposit and commercial paper have maximum maturities of 360 days and 270 days.

Interest Rate Risk for the University's Debt Investments at June 30, 2024 - utilizing the weighted average maturity method *(Dollars in thousands)*		
Investment Description	**Fair Value**	**Weighted Average Maturity (Years)**
Money market mutual funds	$ 640,786	0.1
Corporate bonds	470,889	2.8
Federal agency securities	116,338	21.1
Asset backed securities	115,501	3.3
Mortgage backed securities	22,198	29.3
Municipal bonds	13,213	3.0
Commercial paper	2,350	0.0
State of Arizona LGIP (Pool 5)	1,742	0.1
Certificate of Deposit	1,450	0.7
Subtotal, before U.S. Treasury securities	$ 1,384,467	
U.S. Treasury securities	379,558	10.1
Total	**$ 1,764,025**	

Foreign Currency Risk. Non-endowment funds may not be invested in foreign-denominated securities, and the University has no non-endowment investments exposed to foreign currency risk. The endowment funds managed by the ASU Foundation are invested in an external investment pool, which include U.S. dollar denominated foreign investments.

Fair Value of Investment Assets

The University measures and categorizes its investments using the fair value measurement guidelines established by generally accepted accounting principles. These guidelines establish a three-tier hierarchy of inputs to valuation techniques used to measure fair value, as follows:

- Level 1 - Quoted prices for identical investments in active markets that are accessible at the measurement date;
- Level 2 - Inputs, other than quoted market prices included in Level 1, that are observable, either directly or indirectly;
- Level 3 - Prices or valuations that require inputs that are significant to the fair value measurement and unobservable.

Investments Classified in Fair Value Hierarchy. Investments categorized as Level 1 of the fair value hierarchy are valued using unadjusted prices quoted for identical assets in active, exchange and brokered markets for those securities. Investments categorized as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Investments categorized as Level 3 of the fair value hierarchy are valued using various methods. Real estate is valued by using the income approach to measuring fair value which discounts future amounts to a single current amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

Other Investments at Fair Value. The fair value of a participant's portion in the State of Arizona LGIP (Pool 5) approximates the value of that participant's pool shares and the participant's shares are not identified with specific investments. Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the University held. The fair value of the University's position in the ASU Foundation Endowment Pool is based on the University's proportionate share of the Pool, which is valued at marked-to-market monthly.

University Investments Measured at Fair Value at June 30, 2024 *(Dollars in thousands)*

Investments Classified in Fair Value Hierarchy	As of 06/30/2024	Hierarchy Fair Value Level 1	Hierarchy Fair Value Level 2	Hierarchy Fair Value Level 3
Money market mutual funds	$ 640,786	$ 9,354	$ 631,432	
Corporate bonds	470,889		470,889	
U.S. Treasury securities	379,558	379,558		
Federal agency securities	116,338	4,991	111,347	
Asset backed securities	115,501		115,501	
Real estate	78,868			$ 78,868
Mortgage backed securities	22,198		22,198	
Municipal bonds	13,213		13,213	
Commercial paper	2,350		2,350	
Certificate of Deposit	1,450		1,450	
Total Investments Classified in Fair Value Hierarchy	**$ 1,841,151**	**$ 393,903**	**$ 1,368,380**	**$ 78,868**
Other Investments at Fair Value				
State of Arizona LGIP (Pool 5)	$ 1,742			
ASU Foundation Endowment Pool (ASU Portion)	445,190			
ASU BIOS Endowment Funds	14,254			
Total Other Investments at Fair Value	**$ 461,186**			
Total University Investments at Fair Value	**$ 2,302,337**			

Note D - Capital Assets

Construction in progress represents expenses for approved capital projects which are generally funded with system revenue bonds. It is estimated $332.9 million in additional expenses will be required to complete the approved projects under construction at June 30, 2024. Construction in progress encumbrances committed through purchase orders at June 30, 2024, totaled $242.9 million.

Capital asset activity for the year ended June 30, 2024 follows:

Capital asset activity for the year ended June 30, 2024 *(Dollars in thousands)*

	Balance 07/1/2023 (as restated)	Additions/ Increases	Transfers/ Reclasses	Retirements/ Decreases	Balance 06/30/2024
Non-depreciated capital assets					
Land and land improvements	$ 148,577	$ 6,500			$ 155,077
Construction in progress:					
Buildings	179,635	228,994	$ (97,478)		311,151
Works of art and historical treasures	28,833	197		$ (75)	28,955
Total non-depreciated capital assets	$ 357,045	$ 235,691	$ (97,478)	$ (75)	$ 495,183
Depreciable capital assets					
Infrastructure	$ 312,682	$ 18,878	$ 21		$ 331,581
Buildings	4,274,890	119,583	97,457	$ (2,503)	4,489,427
Equipment	646,088	68,966		(15,942)	699,112
Library books	140,117	13,591		(8,388)	145,320
Intangible capital assets:					
Intellectual property	2,730				2,730
Software	49,089				49,089
Total depreciable capital assets	5,425,596	221,018	97,478	(26,833)	5,717,259
Less accumulated depreciation					
Infrastructure	(93,099)	(8,030)			(101,129)
Buildings	(1,598,192)	(125,660)		1,528	(1,722,324)
Equipment	(449,999)	(40,079)		14,881	(475,197)
Library books	(76,098)	(12,167)		8,388	(79,877)
Intangible capital assets:					
Intellectual property	(1,782)	(340)			(2,122)
Software	(42,939)	(3,206)			(46,145)
Total accumulated depreciation	(2,262,109)	(189,482)		24,797	(2,426,794)
Depreciated capital assets, net	$ 3,163,487	$ 31,536	$ 97,478	$ (2,036)	$ 3,290,465
Capital assets, net excluding intangible right-of use lease and subscription assets	**$ 3,520,532**	**$ 267,227**	**$ -**	**$ (2,111)**	**$ 3,785,648**
Intangible right-of-use lease assets, net (Note G)					**$ 234,616**
Intangible right-of-use subscription assets, net (Note G)					**$ 67,637**
Total capital assets, net as reported in Statement of Net Position					**$ 4,087,901**

Beginning capital assets were restated due to the change in fiscal year end for CC-ASU from March 31 to June 30 to align with the University's reporting period. This restatement had no effect on beginning net position.

Note E - Long-Term Debt

As of June 30, 2024 the University had issued a combination of fixed and variable rate bonds, fixed rate certificates of participation (COPs), direct placements and financed purchases, of which $2.7 billion is outstanding. The University's long-term obligations generally are structured with semi-annual interest payments and call options at a prescribed date.

Bonds Payable, Certificates of Participation and Financed Purchases at June 30, 2024 *(Dollars in thousands)*

	Average Interest Rate	Final Maturity	Balance 07/01/2023	Additions	Reductions	Balance 06/30/2024	Current Portion
Bonds:							
2008A/B Variable Rate Demand System Refunding Bonds	3.85%	07/01/34	$ 65,120		$ (4,095)	$ 61,025	$ 61,025
2010A/B System Revenue Bonds	5.99%[1]	07/01/39	131,610		(125,825)	5,785	5,785
2012A/B System Revenue and Refunding Bonds	3.64%	07/01/28	2,750		(420)	2,330	430
2013A/B System Revenue and Refunding Bonds	3.47%	07/01/25	4,585		(1,595)	2,990	1,640
2014 SPEED Revenue Bonds	3.72%	08/01/44	58,780		(55,390)	3,390	3,390
2015A/B/C System Revenue and Refunding Bonds	3.34%	07/01/46	281,195		(18,040)	263,155	18,965
2015D System Revenue Bonds	3.67%	07/01/46	94,130		(2,950)	91,180	3,090
2016A System Revenue Refunding Bonds	2.29%	07/01/31	28,095		(5,495)	22,600	5,770
2016B/C System Revenue Bonds	3.25%	07/01/47	207,480		(5,285)	202,195	5,555
2017A/B/C System Revenue and Refunding Bonds	3.38%	07/01/43	182,335		(46,975)	135,360	5,175
2019A/B System Revenue Bonds	3.32%	07/01/49	188,775		(2,680)	186,095	3,070
2020A/B/C Bonds	2.84%	07/01/50	182,220		(1,400)	180,820	1,450
2021A/B/C Revenue and Refunding Bonds	2.43%	07/01/53	280,665		(10,725)	269,940	16,445
2021 SPEED Refunding Bonds	0.96%	08/01/31	33,725		(3,310)	30,415	3,475
2022A/B/C System Revenue Bonds	3.69%	07/01/53	172,180		(490)	171,690	2,250
2023A/B/C System Revenue Bonds	3.96%	07/01/53	189,400			189,400	3,180
2024A/B/C System Revenue and Refunding Bonds	4.14%	07/01/54		$ 382,865		382,865	
2024 SPEED Revenue and Refunding Bonds	4.10%	08/01/54		151,485		151,485	
Subtotal: Par Amount of Bonds			$ 2,103,045	$ 534,350	$ (284,675)	$ 2,352,720	$ 140,695
Certificates of Participation:							
2006 Certificates of Participation	4.53%	06/01/31	6,940		(745)	6,195	775
2011A Mercado Refunding Certificates of Participation	4.27%	07/01/24	1,590		(775)	815	815
2013A/B Refunding Certificates of Participation	3.09%	09/01/26	28,025		(9,275)	18,750	9,745
Subtotal: Par Amount of COPs			$ 36,555		$ (10,795)	$ 25,760	$ 11,335
Direct Placements:							
2014A/B Refunding Certificates of Participation	3.04%	09/01/30	59,205		(190)	59,015	195
2017 Refunding Certificates of Participation	1.87%	07/01/26	14,325		(3,480)	10,845	3,545
Subtotal: Par Amount of Direct Placements			$ 73,530		$ (3,670)	$ 69,860	$ 3,740
Financed Purchases:							
Fulton Center	2.45%	06/15/34	15,775		(1,175)	14,600	1,215
Flexible Display Center	3.25%	05/10/24	20,693		(20,693)		
Hassayampa Academic Village	3.24%	06/10/39	9,213		(292)	8,921	321
Nursing and Health Innovation	4.84%	01/01/36	7,670		(580)	7,090	620
Subtotal: Financed Purchases			$ 53,351		$ (22,740)	$ 30,611	$ 2,156
Total Par Amount of Bonds, COPs and Financed Purchases			$ 2,266,481	$ 534,350	$ (321,880)	$ 2,478,951	$ 157,926
Premium/(Discount) on Sale of Bonds and COPs			201,447	49,889	(29,724)	221,612	25,488
Total Bonds Payable/COPs/Financed Purchases			**$ 2,467,928**	**$ 584,239**	**$ (351,604)**	**$ 2,700,563**	**$ 183,414**

[1] The average interest rate net of the Build America bonds federal direct payment subsidy is 3.94%.

System Revenue Bonds

The University has pledged gross revenues as defined in the bond indentures towards the payment of debt related to various senior lien system revenue bonds outstanding at June 30, 2024. These related system revenue bonds are primarily for new academic and research facilities, academic and laboratory renovations, and technology and infrastructure improvements. The pledged revenues include student tuition and fees, certain auxiliary enterprise revenue, net investment income, and indirect cost recovery revenue. Pledged revenues do not include state appropriations, gifts, endowment income, or other restricted revenues. For the year ended June 30, 2024, pledged revenues totaled $2.57 billion of which 6.4 percent ($163.8 million, net of federal direct payments) was required to cover current year debt service.

In May 2024, the University issued $382.9 million of system revenue and refunding bonds, Series 2024A, B, and C, with an average maturity of 14.3 years and an average interest rate of 4.14 percent. The bonds were issued to fund the construction and improvements to the Tempe Campus Academic and Office Space, West Campus New Academic Building, Tempe Campus New Academic Building, Tempe District Utility Plant, Mill Avenue Student Housing, Academic, Office and Dining Space, Infrastructure and Deferred Maintenance, to acquire a leasehold interest in the flexible display center located at the ASU Research Park, and to refund Series 2010A Build America Bonds and Series 2017A Bonds totaling $120.2 million and $42.0 million, respectively. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $4.5 million. This difference is reported on the statement of net position as a deferred outflow of resources and is amortized on a straightline basis annually as a component of interest expense. The refunded debt is considered defeased and related liabilities are not included in the University's financial statements. The issuance of the refunding bonds, with an average maturity of 9.1 years and an average interest rate of 3.30 percent, resulted in a $9.2 million reduction in future debt service payments with an economic gain of $8.8 million based upon the present value savings.

SPEED Revenue Bonds

In June 2008, the State of Arizona Legislature approved the Stimulus Plan for Economic and Educational Development (SPEED) which provides Arizona universities with capital improvement funds for critical construction and deferred maintenance projects. SPEED projects are debt financed with revenue bonds and repaid primarily with Arizona Lottery revenues. Specifically, up to 80 percent of SPEED debt service is paid from Arizona Lottery revenues, with the balance being the responsibility of the University as evidenced by the subordinated pledge of University revenues.

In May 2024, the University issued $151.5 million in SPEED revenue and refunding bonds, Series 2024, with an average maturity of 15.6 years and an average interest rate of 4.10 percent. The bonds were issued to fund the construction of Interdisciplinary Science and Technology Building 12 (formerly, the Polytechnic Research and Education Building) and to refund in advance of maturity the remaining Series 2014 SPEED bonds totaling $52.2 million. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of ($1.5) million. This difference is reported on the statement of net position as a deferred inflow of resources and is amortized on a straight-line basis annually as a component of interest expense. The refunded debt is considered defeased and related liabilities are not included in the University's financial statements. The issuance of the refunding bonds, with an average maturity of 7.2 years and an average interest rate of 3.24 percent, resulted in a $7.5 million reduction in future debt service payments with an economic gain of $5.6 million based upon the present value savings.

Direct Placements

The University has outstanding two series of direct placement Certificates of Participation (COPs), the Series 2014 Refunding COPs and the 2017 Refunding COPs. The direct placement COPs were issued with similar terms to the University's other outstanding COPs with no acceleration or priority provisions. The University utilizes COPs to acquire buildings, equipment and land. The COPs are generally callable and collateralized by the acquired asset which is subject to a leasehold interest by the trustee. In the event of a default the underlying asset value would be removed from the University's financial statements.

Variable Rate Bonds

The University has two series of variable rate demand system revenue refunding bonds outstanding, Series 2008A and Series 2008B, totaling $61.0 million with final maturities of July 1, 2034. The interest rate in effect on June 30, 2024, was 3.85 percent for the Series 2008A and 2008B bonds. On January 25, 2024, Citigroup Global Markets Inc., as the original remarketing agent for the Series 2008B Bonds, delivered its resignation of remarketing agent letter. Commencing February 2024, Wells Fargo Bank became the remarketing agent for the 2008B bonds, resulting in Wells Fargo Bank being the Remarketing Agent for both the 2008A bonds and the 2008B bonds.

The University's variable rate demand bonds have remarketing features which allow bondholders to put debt back to the University. In accordance with GASB Interpretation No. 1, *Demand Bonds Issued by State and Local Government Entities*, the total outstanding principal balance for variable rate demand bonds is required to be classified as a current liability. As of May 4, 2016 the

University executed a self-liquidity facility agreement to provide liquidity if the bonds are put by bondholders. It is the University's intent to repay its variable rate demand bonds in accordance with the maturities set forth in the official statement, however, in the absence of a "take out agreement" the University has classified the total outstanding principal balance of the 2008 bonds as a current liability.

Financed Purchases

In October 2003, the University entered into a 30-year financed purchase agreement with ASUF, LLC, an Arizona limited liability company, of which the sole member is the University Realty LLC, an Arizona limited liability company, whose sole member is ASU Enterprise Partners, an Arizona nonprofit corporation and component unit of the University, to occupy four floors of office space in the Fulton Center and the related parking structure. In April 2004, the University entered into a 30-year financed purchase agreement with Nanotechnology Research, LLC, an Arizona limited liability company, whose sole member is Arizona Capital Facilities Finance Corporation (ACFFC), for the Flexible Display Center located at the ASU Research Park. In December 2017, ASU Nanotechnology LLC refunded the 2009 Refunding Bonds for savings. In FY 2024, ASU prepaid the remaining lease payments for the nanotechnology research facility. Approximately $19.7 million of the proceeds of the Series 2024 bonds were used to acquire the leasehold interest. In July 2005, the University entered into a 34-year financed purchase agreement with McAllister Academic Village, LLC, an Arizona limited liability company, whose sole member is ACFFC, to utilize the nonresidential portion of the McAllister Academic Village (MAV), which operates under the name of Hassayampa Academic Village. ACFFC has overall responsibility for the residential portion, comprising approximately 92 percent of the facility, with the University maintaining the nonresidential portion of the facility. In November 2008, the University committed to an intergovernmental agreement with the City of Phoenix related to construction of the fourth and fifth floors of the Nursing and Health Innovation building at ASU's Downtown Phoenix campus. In August 2020, the City of Phoenix refunded the 2011 bonds for savings. The issuance of the refunding bonds resulted in a $2.8 million reduction in the University's future payments.

Future Payments

Future pledged revenues required to pay all remaining debt service for the University's senior and subordinate revenue bonds through final maturity of August 1, 2054 total $3.7 billion. In addition to a senior pledge of revenues for ASU system revenue bonds, the University has pledged the same revenues on a subordinated basis to secure the ASU SPEED revenue bonds.

The Taxable Series 2010A System Revenue Bonds were issued as Build America Bonds under the provisions of the American Recovery and Reinvestment Act (ARRA). As such, the University is eligible to receive Federal Direct Payments from the United States Treasury equal to 35 percent of the interest owed on each interest payment date. The amount paid to the University by the Federal

Bonds Payable, Certificates of Participation and Financed Purchases at June 30, 2024 *(Dollars in thousands)*

	System and SPEED Revenue Bonds			Certificates of Participation		Direct Placements		Financed Purchases	
FY	Principal	Interest	Net Payments on Swap Agreement	Principal	Interest	Principal	Interest	Principal	Interest
2025	83,975	110,048	17	11,335	806	3,740	1,908	2,156	924
2026	87,940	102,431	16	5,200	507	9,610	1,689	2,248	872
2027	99,415	98,007	15	5,455	243	9,855	1,435	2,321	816
2028	100,260	93,391	13	885	166	11,145	1,125	2,426	757
2029	100,630	88,690	11	920	126	11,485	781	2,538	693
2030-2034	495,570	374,354	31	1,965	127	24,025	487	13,687	2,380
2035-2039	494,320	255,673						5,235	663
2040-2044	496,870	137,955							
2045-2049	239,705	55,208							
2050-2054	135,325	16,960							
2055-2059	18,710	27							
Total	**$ 2,352,720**	**$ 1,332,744**	**$ 103**	**$ 25,760**	**$ 1,975**	**$ 69,860**	**$ 7,425**	**$ 30,611**	**$ 7,105**

government may be reduced or limited due to such issues as failure by the University to submit the required information, offsets to reflect any amounts owed by the University to the Federal government, or changes in the law that would reduce or eliminate such payments. During FY 2024, ASU recorded Federal Direct Payments totaling $2.2 million, net of a $0.1 million or 5.7 percent reduction due to the federal budget sequestration. For accounting purposes, any direct payments received from the U.S. Treasury are recorded as nonoperating revenue.

Securities and cash restricted for bonds and COPs debt service held by the trustee at June 30, 2024 totaled $124.7 million and $4.5 million, respectively. Payment commitments to investors, including interest, for bonds, COPs and other lease obligations, using the interest rate in effect at June 30, 2024 for variable rate issues, are as follows:

Funding responsibility for the June 30, 2024 outstanding debt and financed purchases *(Dollars in thousands)*

	Current Portion	Noncurrent Portion	Total
From Arizona State University operating revenues	$ 153,170	$ 2,034,685	$ 2,187,855
From State of Arizona appropriations and other State monies	30,244	482,464	512,708
Total	**$ 183,414**	**$ 2,517,149**	**$ 2,700,563**

Subsequent Events

The Board, on behalf of the University, presently plans to issue approximately $203.0 million in principal amount of additional Parity Bonds for additional capital projects prior to calendar year end 2025.

Note F - Interest Rate Swap Agreement

Effective January 1, 2007, the University entered into a $103 million notional amount swap agreement (hedging derivative instrument) expiring on July 1, 2034, in conjunction with the 2008 variable rate demand system revenue refunding bonds (2008 Bonds). The outstanding $61.0 million notional amount at June 30, 2024 is not exchanged; it is only the basis on which the interest payments are calculated and it decreases as principal payments are made on the 2008 Bonds. The intention of the swap is to effectively convert the variable rate interest on the 2008 Bonds to a synthetic fixed rate. Under the terms of the swap agreement, the University pays the counterparty interest calculated at a fixed rate of 3.91 percent and receives payments from the counterparty based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index set weekly. The SIFMA rate at June 30, 2024 was 3.88 percent. At June 30, 2024, the synthetic fixed interest rate on the bonds was:

Interest Rate Swap:	Terms	Rates (%)
Fixed payment to counterparty	Fixed	3.91
Variable payment from the counterparty	SIFMA	(3.88)
Net interest rate swap payments		0.03
Variable rate bond coupon payments	Spread to SIFMA	3.85
Synthetic fixed interest rate on bonds		3.88

The University continues to pay interest to the bondholders at the variable rate provided by the bonds. However, during the term of the swap agreement, the University effectively pays a fixed rate on the debt. If the counterparty defaults or if the swap is terminated, the University will revert to paying a variable rate. A termination of the swap agreement may also result in the University making or receiving a termination payment. The University is exposed to interest rate risk based on the SIFMA indexed variable payment received from the counterparty versus the variable rate paid to bondholders. The swap exposes the University to basis risk should the weekly SIFMA rate paid by the counterparty fall below the weekly interest rate due on the bonds. As of June 30, 2024, the University was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap become positive, the University would be exposed to credit risk in the amount of the derivative's fair value. The swap counterparty was rated AA by Fitch, A+ by Standard & Poor's and Aa1 by Moody's Investor Services as of July 1, 2024.

Based on current ratings, the counterparty was not required to provide collateral. In the event a rating downgrade occurs, the counterparty may be required to provide collateral if the University's overall exposure exceeds predetermined levels.

Collateral may be held by the University or a third party custodian. As of June 30, 2024, the swap had a fair value of $(2.4) million, which represents the cost to the University to terminate the swap. The June 30, 2023 fair value was $(2.9) million. The fair value was developed by an independent third party, with no vested interest in the transaction, using the zero coupon discounting method. This method calculates the future payments required by the swap, assuming the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement on the swaps. In accordance with GASB 53, *Accounting and Financial Reporting for Derivative Instruments*, the fair value of the University's hedging derivative instrument is reported on the statement of net position as a deferred outflow of resources and a liability (derivative instrument).

Note G - Leases and Subscription-Based Information Technology Arrangements

University as Lessee

The University has entered into leases with various entities for equipment, classroom, office, research and student housing and activity space. The following leases constitute significant right-of-use lease assets and corresponding lease liabilities for the University:

Brickyard. In July 2004, the University entered into a 25 year master lease of the Brickyard, owned by the ASUF Brickyard, LLC, an Arizona limited liability company, of which the sole member is University Reality, LLC, an Arizona limited liability company, whose sole member is ASU Enterprise Partners. The majority of the facility is being used by the University for classrooms, offices and research areas, with the remaining portion being leased by the University to various firms for retail and restaurant operations. In June 2018, the University entered into an additional 5 year lease in the interest of executing a mixed-use project of existing improvements consisting of a parking garage and commercial building.

SkySong. In June 2006, the University entered into a 15 year lease, for approximately 80,000 square feet of office space within a development known as SkySong. The University's use of the leased space focuses on supporting entrepreneurial activities and interdisciplinary research programs in engineering-related fields and education technology. The University has since entered into multiple leases for additional space within the SkySong development for an additional 72,212 square feet of office space for similar uses.

Herald Examiner Building. In August 2018, the University entered into a 12 year lease for 85,118 square feet of office space known as Herald Examiner Building located in Downtown Los Angeles to create the ASU California Center. The century-old former newspaper headquarters provides educational, community engagement and other programming space for the Herberger Institute, the Walter Cronkite School of Journalism and Mass Communication and other University programs. In May 2024, the lease was amended to provide for two 10-year options and one two-year eleven months option and extends the University's use of the facility through May 2055.

Phoenix Biomedical Building (Wexford). In December 2018, the University entered into a 15 year lease for 113,615 square feet of the Wexford facility. Wexford is the first public-private development effort between the city of Phoenix, the University and Wexford Science and Technology and serves as a global center for interdisciplinary research, discovery and development. The University portion of the facility houses academic research and clinical space.

Ascentris-224. In March 2019, the University entered into a 10 year lease with Ryan University Realty, LLC for 169,223 square feet of office and ground floor retail space located within the Novus Innovation Corridor. The University utilizes the property for general office, administrative and educational purposes including classrooms and collaborative spaces.

ASU Barrett and O'Connor Washington Center. In December 2014, the University entered into a 20 year lease for a multi-use office building in Washington, D.C. The center expands ASU's presence in the nation's capital, spurring innovative national engagements and partnerships and provides one-of-a-kind learning, teaching and research opportunities for students and faculty members.

Intangible right-of-use lease assets activity for the year ended June 2024 is summarized as follows:

Intangible right-of-use lease assets for the year ended June 30, 2024 *(Dollars in thousands)*					
	Balance 07/1/2023	**Additions**	**Remeasure-ments**	**Deductions**	**Balance 06/30/2024**
Right-of-use lease assets					
Real estate	$ 275,500	$ 2,160	$ 47,801	$ (262)	$ 325,199
Equipment	2,790				2,790
Total right-of-use lease assets	$ 278,290	$ 2,160	$ 47,801	$ (262)	$ 327,989
Less accumulated amortization					
Real estate	$ (63,903)	$ (27,640)		$ 262	$ (91,281)
Equipment	(1,395)	(697)			(2,092)
Total accumulated amortization	$ (65,298)	$ (28,337)		$ 262	$ (93,373)
Total intangible right-of-use lease assets, net	**$ 212,992**	**$ (26,177)**	**$ 47,801**	**$ -**	**$ 234,616**

Lease liability activity for the year ended June 30, 2024 is summarized as follows:

Lease Liabilities at June 30, 2024 *(Dollars in thousands)*						
	Balance 07/1/2023	**Additions**	**Remeasure-ments**	**Deductions**	**Balance 06/30/2024**	**Current Portion**
Total	$ 222,630	$ 2,160	$ 45,870	$ (20,523)	$ 250,137	$ 21,135

Future annual lease payments are as follows:

Future Annual Lease Payments at June 30, 2024 *(Dollars in thousands)*			
Year ending June 30:	**Principal**	**Interest**	**Total**
2025	$ 21,135	$ 8,508	$ 29,643
2026	19,984	8,060	28,044
2027	16,439	7,646	24,085
2028	15,906	7,311	23,217
2029	15,996	6,935	22,931
2030-2034	61,610	29,500	91,110
2035-2039	14,885	23,620	38,505
2040-2044	13,548	20,926	34,474
2045-2049	22,568	16,141	38,709
2050-2054	35,395	8,396	43,791
2055-2059	8,675	1,034	9,709
2060-2064	386	965	1,351
2065-2069	373	1,155	1,528
2070-2074	362	1,367	1,729
2075-2079	350	1,606	1,956
2080-2084	339	1,875	2,214
2085-2089	328	2,176	2,504
2090-2094	318	2,516	2,834
2095-2099	308	2,898	3,206
2100-2104	298	3,329	3,627
2105-2109	289	3,815	4,104
2110-2114	280	4,365	4,645
2115-2119	271	4,983	5,254
2120-2121	94	1,902	1,996
Total	**$ 250,137**	**$ 171,029**	**$ 421,166**

University as Lessor

The University is lessor for various noncancellable leases of real estate and equipment. Lease-related receivables and revenue recognized for the year ended June 30, 2024 are as follows:

Lease-related receivables and revenue recognized for the year ended June 30, 2024 *(Dollars in thousands)*	
Current lease receivables	$ 5,124
Noncurrent lease receivables	102,735
Lease revenue	$ 5,604
Interest revenue	2,380

Subscription-Based Information Technology Arrangements

The University has entered into subscription arrangements with various entities for its use of information technology assets. The following subscription arrangements constitute significant right-of-use subscription assets with corresponding subscription liabilities for the University:

Workday. In January 2021, the University entered into a ten year master subscription arrangement with Workday to host and update its Human Capital Management (HCM) system and extend its utilization of the Workday Financial Management System (FMS). Workday HCM is the University's core human capital management, recruiting, workforce planning, time tracking, scheduling and employee learning systems. The subscription agreement term is November 2022 through November 2032.

Amazon Web Services. In November 2021, the University entered into a five year arrangement with Amazon Web Services (AWS) to utilize AWS cloud computing, data storage, analytics, and security services. The subscription agreement term is December 2021 through November 2026.

Zoom. In January 2022, the University entered into a five year agreement with Zoom as its preferred virtual communications partner and platform. The subscription arrangement term is January 2022 through August 2027.

Intangible subscription right-of-use assets activity for the year ended June 2024 is summarized as follows:

Intangible subscription right-of-use assets for the year ended June 30, 2024 *(Dollars in thousands)*

	Balance 07/1/2023	Additions	Remeasure-ments	Deductions	Balance 06/30/2024
Subscription assets	$ 78,643	$ 20,842		$ (5,149)	$ 94,336
Total subscription assets	$ 78,643	$ 20,842		$ (5,149)	$ 94,336
Less accumulated amortization					
Subscription assets	$ (14,238)	$ (13,899)		$ 1,438	$ (26,699)
Total accumulated amortization	$ (14,238)	$ (13,899)		$ 1,438	$ (26,699)
Total subscription right-of-use assets, net	$ 64,405	$ 6,943		$ (3,711)	$ 67,637

Subscription liabilities activity for the year ended June 30, 2024 is summarized as follows:

Subscription Liabilities at June 30, 2024 *(Dollars in thousands)*

	Balance 07/1/2023	Additions	Remeasure-ments	Deductions	Balance 06/30/2024	Current Portion
Total	$ 63,630	$ 6,334		$ (16,352)	$ 53,612	$ 10,864

The following schedule details minimum subscription payments to maturity for the University's subscription liabilities at June 30, 2024:

Future Annual Subscription Payments at June 30, 2024 *(Dollars in thousands)*

Year ending June 30:	Principal	Interest	Total
2025	$ 10,864	$ 2,477	$ 13,341
2026	11,452	1,983	13,435
2027	7,239	1,462	8,701
2028	5,331	1,124	6,455
2029-2033	18,726	2,250	20,976
Total	**$ 53,612**	**$ 9,296**	**$ 62,908**

Note H - Compensated Absences

The University has recorded a liability for accruals of vacation leave earned, but not taken at fiscal year end. At fiscal year end the University accrued up to the maximum 22 days allowed by University policy for which an employee can be paid upon termination of employment. Additionally, the University implemented GASB Statement No. 101, *Compensated Absences*, in Fiscal Year 2024 which recognizes a liability for sick leave earned, but not taken at fiscal year end that the University reasonably expects will be used in future periods. Current year compensated absences additions reflect the impact of the implementation of the standard.

Additional information about the implementation of GASB Statement No. 101, *Compensated Absences*, is presented in *Note A - Basis of Presentation and Significant Accounting Policies*.

Changes in accrued compensated absences for the year ended June 30, 2024 consisted of the following (Dollars in thousands):

Beginning Balance	$ 53,185
Additions	102,516
Reductions	(70,812)
Ending Balance	$ 84,889
Current Portion	$ 29,752

Note I - Operating Expenses by Natural Classification

Operating expenses by functional and natural classification for the year ended June 30, 2024, are summarized as follows (Dollars in thousands):

	Year ended June 30, 2024				
	Personal Services and Benefits	Supplies and Services	Student Aid	Depreciation	Total
Instruction	$ 913,318	$ 336,601			$ 1,249,919
Research	297,294	200,599			497,893
Public service	37,190	28,023			65,213
Academic support	378,279	151,310			529,589
Student services	152,991	79,238			232,229
Institutional support	170,309	79,070			249,379
Operation and maintenance of plant	33,969	132,716			166,685
Scholarships and fellowships			$ 328,277		328,277
Auxiliary enterprises	107,504	129,554			237,058
Depreciation				$ 231,719	231,719
Total Operating Expenses	**$ 2,090,854**	**$ 1,137,111**	**$ 328,277**	**$ 231,719**	**$ 3,787,961**

Note J - Retirement Plans

The University participates in the Arizona State Retirement System (ASRS), a cost-sharing, multiple-employer defined benefit pension plan, and two defined contribution plans which are described on page 53. The University also contributes to the Public Safety Personnel Retirement System (PSPRS), which is comprised of a state administered agent multiple-employer defined benefit pension plan and a defined contribution plan. Although a PSPRS net pension liability has been recorded at June 30, 2024, PSPRS has not been further disclosed due to its relative insignificance to the University's financial statements.

The University's net pension liability at June 30, 2024, was comprised of the following (Dollars in thousands):

ASRS	$ 630,379
PSPRS	1,139
Defined contribution pension plans	33,093
Total net pension liability	$ 664,611

Changes in the University's net pension liability during the fiscal year ended June 30, 2024, were as follows (Dollars in thousands):

Beginning balance	$ 653,205
Increases	158,685
Decreases	(147,279)
Ending balance	$ 664,611

Defined Benefit Plan

Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan. Certain eligible staff categories are required and eligible University faculty and other staff categories have the option to participate in the ASRS defined benefit plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 2. The ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. That report may be obtained by visiting www.azasrs.gov.

Benefits Provided. The ASRS provides retirement and survivor benefits. Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as shown below.

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2024, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.14 percent of the members' annual covered payroll, and the University was required by statute to contribute at the actuarially determined rate of 12.03 percent of the active members' annual covered payroll. In addition, the University was required by statute to contribute at the actuarially determined rate of 9.94 percent of annual covered payroll of retired members who worked for the University in positions that would typically be filled by an employee who contributes to the ASRS. The University's contributions to the pension plan for the year ended June 30, 2024, were $69.2 million.

Pension Liability. At June 30, 2024, the University reported a liability of $630.4 million for its proportionate share of the ASRS' net pension liability. The net pension liability (NPL) was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2022, to the measurement date of June 30, 2023.

The University's proportion of the net pension liability was based on the University's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The University's proportion measured as of June 30, 2023 was 3.896 percent which was an increase of 0.092 from its proportion measured as of June 30, 2022.

	Retirement Initial Membership Date	
Years of service and age required to receive benefit	**Before July 1, 2011**	**On or after July 1, 2011**
	Sum of years and age equals 80	30 years / age 55
	10 years / age 62	25 years / age 60
	5 years / age 50*	10 years / age 62
	Any years / age 65	5 years / age 50*
		Any years / age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits

Pension Expense and Deferred Outflows/Inflows of Resources. For the year ended June 30, 2024, the University recognized pension expense for ASRS of $87.2 million. At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (Dollars in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 14,244	
Changes in proportion and differences between University contributions and proportionate share of contributions	9,324	$ 4,523
Net difference between projected and actual earnings on pension plan investments		22,303
University contributions subsequent to the measurement date	69,178	
Total	**$ 92,746**	**$ 26,826**

The $69.2 million reported as deferred outflows of resources related to ASRS pensions resulting from University contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows. (Dollars in thousands, positive amount indicates an increase in pension expense):

Year ending June 30,	
2025	$ (2,556)
2026	(21,967)
2027	24,036
2028	(2,771)

Actuarial Assumptions. The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2022
Actuarial roll forward date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9% - 8.4%
Inflation	2.3%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP

Actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2020.

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	44%	3.50%
Credit	23%	5.90%
Private equity	10%	6.70%
Fixed income - interest rate sensitive	6%	1.50%
Real estate	17%	5.90%
Total	**100%**	

Discount Rate. At June 30, 2023, the discount rate used to measure the ASRS total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the University's Proportionate Share of the ASRS Net Pension Liability to Changes in the Discount Rate. The following table presents the University's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate (Dollars in thousands):

	University's proportionate share of the NPL
1% decrease (6.0%)	$ 944,215
Current discount rate (7.0%)	630,379
1% increase (8.0%)	368,695

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report.

Pension Contributions Payable. The University reported accrued payroll and employee benefits of $1.4 million for outstanding pension contribution amounts payable to ASRS for the year ended June 30, 2024.

Defined Contribution Plans

Plan Description. In accordance with A.R.S. section 15-1628, University faculty and most University staff have the option to participate in defined contribution pension plans. For the year ended June 30, 2024, plans offered by TIAA and Fidelity Investments Tax-Exempt Services Company (Fidelity) were approved by the Arizona Board of Regents. Benefits under these plans depend solely on the contributed amounts and the returns earned on investments of those contributions. Contributions made by members vest immediately; University contributions vest after five years of full-time employment. Non-vested contributions held by the University earn interest. Member and University contributions and associated returns earned on investments may be withdrawn upon termination of employment, death, or retirement. The distribution of member contributions and associated investment earnings are made in accordance with the member's contract with the applicable insurance and annuity companies.

Funding Policy. The Arizona State Legislature establishes the contribution rates for active plan members and the University. The Arizona Revised Statutes define the authority under which benefit terms are established or may be amended. For the year ended June 30, 2024, plan members and the University were each required by statute to contribute an amount equal to 7 percent of a member's compensation.

Pension Liability. At June 30, 2024, the University reported a liability of $33.1 million, of which $32.5 million is non-vested defined contributions. If individuals terminate employment prior to vesting, any non-vested University contributions are retained by the University.

Pension Expense. For the year ended June 30, 2024, the University recognized pension expense for Defined Contribution Plans of $41.6 million, which excludes $3.5 million in forfeitures.

Pension Contributions Payable. The University's accrued payroll and employee benefits included $0.6 million of outstanding pension contribution amounts payable to TIAA and Fidelity for the year ended June 30, 2024.

Note K - Other Postemployment Benefits (OPEB)

Other postemployment benefits provided as part of University employment include the Arizona Department of Administration sponsored single-employer defined benefit postemployment plan as well as the ASRS sponsored cost-sharing, multi-employer defined benefit plan for the Long-Term Disability and the Health Benefit Supplement Fund. University public safety personnel participate in the Public Safety Personnel Retirement System (PSPRS). PSPRS administers an agent multi-employer defined benefit health insurance premium benefit plan. Although the ASRS and PSPRS plans have been recorded at June 30, 2024, these plans have not been further disclosed due to their relative insignificance to the University's financial statements.

The University's OPEB liability at June 30, 2024, was $119.9 million. Changes in the University's OPEB liability during the fiscal year ended June 30, 2024, were as follows (Dollars in thousands):

Beginning balance (as restated)	$ 200,627
Increases	43,302
Decreases	(124,058)
Ending balance	$ 119,871

The University's net OPEB asset at June 30, 2024, was $21.7 million. Changes in the University's OPEB asset during the fiscal year ended June 30, 2024, were as follows (Dollars in thousands):

Beginning balance (as restated)	$ 21,887
Increases	2,677
Decreases	(2,821)
Ending balance	$ 21,743

Beginning balances for the OPEB liability and net OPEB asset were restated to separately disclose the amounts. Due to the immateriality of the OPEB asset at implementation through Fiscal Year 2023, the University previously netted the OPEB asset against other OPEB plan liabilities. This correction has no impact on the University's net position.

Single-Employer Plan

Plan Description. The Arizona Department of Administration (ADOA) administers a single-employer defined benefit postemployment plan (ADOA Plan) that provides medical and accident benefits to retired state employees and their dependents, including University employees and their dependents. For financial reporting purposes, the University presents its proportionate share of the ADOA Plan total liability and the related note disclosures similar to a multi-employer plan.

Title 38, Chapter 4 of the A.R.S. assigns the authority to establish and amend the benefit provisions of the ADOA Plan to the Arizona State Legislature. The ADOA pays the medical costs incurred by retired employees, net of related premiums that are paid entirely by the retiree or on behalf of the retiree. These premium rates are based on a blend of active employee and retiree experience, resulting in a contribution basis that is lower than the expected claim costs for retirees, creating an implicit subsidization of retirees by the ADOA Plan. A portion of the ADOA Plan’s implicit rate subsidy represents an obligation of the University for its proportionate share of the total OPEB liability.

Funding Policy and Contributions. The ADOA’s current funding policy is pay-as-you-go for OPEB benefits. There are no dedicated assets at this time to offset the actuarial accrued liability.

Benefits Provided. The ADOA provides medical and accident benefits to retired University employees and their dependents. The ADOA pays the medical costs incurred by retired employees who choose to participate in the plan minus a specified premium amount which is paid for entirely by the retiree or on behalf of the retiree. Premium rates are based on a blend of active employee and retiree experience, resulting in a contribution basis which is lower than the expected claim costs for retirees only, which results in an implicit subsidization of retirees by the University. Dental and vision benefits are also available, but are not valued as there is no implicit subsidization in the retiree rates.

OPEB Liability. At June 30, 2024, the University reported a liability of $119.4 million for its proportionate share of the ADOA total OPEB liability. The total OPEB liability was measured as of June 30, 2023 and was determined using an actuarial valuation as of June 30, 2023. The University’s proportion of the total OPEB liability was based on the University’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2023.

The total OPEB liability as of June 30, 2024 reflects the following changes in benefit terms and actuarial assumptions:

- The discount rate increased to 3.86 percent, up from 3.69 percent, due to changes in the tax-exempt municipal bond index rate.

- Incremental increases in healthcare cost trend rates.

The University’s proportion measured as of June 30, 2023 was 21.67 percent.

OPEB Expense and Deferred Outflow/Inflows of Resources. For the year ended June 30, 2024, the University recognized ADOA OPEB expense of $2.8 million. At June 30, 2024, the University reported deferred outflows of resources and inflows of resources related to OPEB from the following sources (Dollars in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
University benefit payments subsequent to the measurement date	$ 3,524	
Changes of assumptions or other inputs	38,258	$ 58,110
Difference between expected and actual experience in the Total OPEB Liability	29,450	163,758
Total	**$ 71,232**	**$ 221,868**

The $3.5 million reported as deferred outflows of resources related to ADOA OPEB resulting from University benefit payments subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ADOA OPEB will be recognized in pension expense as follows (Dollars in thousands):

Year ending June 30,	
2025	$ (19,568)
2026	(16,734)
2027	(23,743)
2028	(31,122)
2029	(28,383)
Thereafter	(34,610)

Actuarial Assumptions. Projections of ADOA Plan benefits for financial reporting purposes include the types of benefits provided at the time of each valuation and the pattern of sharing of cost between the employer and the ADOA Plan member to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations. Actuarial assumptions used in the June 30, 2023 valuation were based on the results of the Arizona State Retirement System (ASRS) Actuarial Experience Study covering a 5-year period from July 1, 2015 to June 30, 2020.

The ADOA Plan's actuarial methods and significant assumptions for the most recent actuarial valuation are as follows:

Actuarial valuation date	June 30, 2023
Actuarial cost method	Entry-Age Normal
Projected salary increases	2.90% - 8.40% varying by years of service
Healthcare cost trend rates:	
Medical (pre-Medicare)	7.20% graded to 4.25%
Medical (post-Medicare)	5.10% graded to 4.25%
Administrative costs	None
Discount rate	3.86%
Mortality rates:	Level dollar, open
Employees	Pub-2010 General Employee Mortality Table projected generationally from 2017 utilizing Ultimate MP scales
Healthy retirees and spouses	2017 State Retirees of Arizona Mortality Tables projected generationally from 2017
Disabled retirees	Pub-2010 Disabled Retiree Mortality Tables projected generationally from 2017 utilizing Ultimate MP scales

Discount Rate. The discount rate used to measure the total OPEB liability was 3.86 percent which was set based on the Fidelity "20-Year Municipal GO (General Obligation) AA Index" as of the measurement date.

Sensitivity of the University's Proportionate Share of the ADOA total OPEB liability to Changes in the Discount Rate. The following table presents the University's proportionate share of the total OPEB liability calculated when using the discount rate of 3.86 percent, as well as what the University's proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.86 percent) or 1 percentage point higher (4.86 percent) than the current rate (Dollars in thousands):

	University's proportionate share of the total OPEB liability
1% decrease (2.86%)	$ 137,425
Current discount rate (3.86%)	119,351
1% increase (4.86%)	104,646

The following table presents the University's proportionate share of the total OPEB liability calculated when using the current trend rate as well as what the University's proportionate share of the total OPEB liability would be if it were calculated using a trend rate that is 1 percentage point lower or 1 percentage point higher than the current trend rates (Dollars in thousands):

	University's proportionate share of the total OPEB liability
1% decrease in trend rates	$ 101,117
Current rate trends	119,351
1% increase in trend rates	142,594

Note L - Insurance Programs and Other Claims

Risk Management Insurance. Pursuant to A.R.S. section 41-621, the University participates in a self-insurance program administered by the State of Arizona, Department of Administration, Risk Management Section. The State's Risk Management Program covers the University, subject to certain deductibles, for risks of loss related to such situations as theft, damage and destruction of property, buildings, and equipment; errors and omissions; injuries to employees; natural disasters; and liability for acts or omissions of any nature while acting in authorized governmental or proprietary capacities and in the course and scope of employment or authorization, except as prescribed in A.R.S. section 41-621. Loss risks not covered by the Risk Management Section and where the University has no insurance coverage are losses arising from contractual breaches and losses that arise out of and are directly attributable to an act or omission determined by a court to be a felony. From time to time, various claims and lawsuits associated with the normal conduct of University business are pending or may arise against the University.

In the opinion of University management, any losses from the resolution of any other pending claims or litigation not covered by the Risk Management Section should not have a material effect on the University's financial statements. Also, in accordance with the disclosure requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, all estimated losses for unsettled claims and actions of the State are determined on an actuarial basis and are included in the State of Arizona *Annual Comprehensive Financial Report*.

Note M - Summary Financial Information for ASU Component Units

Arizona State University's discretely presented component units are comprised of three major component units, ASU Enterprise Partners (ASUEP), Arizona Capital Facilities Finance Corporation (ACFFC) and ASU Preparatory Academy, Inc. (ASU Prep) and several smaller component units consisting of the ASU Alumni Association, Arizona State University Research Park, Inc. and Sun Angel Foundation. For additional information refer to *Note B – ASU Component Units.*

Summary of Significant Accounting Policies

Basis of presentation. The component unit financial statements have been prepared on the accrual basis of accounting according to generally accepted accounting principles (GAAP). Information regarding their financial position and activities is reported according to three classes of net assets: without donor restrictions - unrestricted net assets, with donor restrictions - temporarily restricted net assets, and with donor restrictions - permanently restricted net assets.

Income taxes. All of ASU's component units, except ACFFC, qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code and, therefore, there is no provision for income taxes. In addition, they qualify for the charitable contribution deduction and have been classified as organizations that are not private foundations. Any income determined to be unrelated business taxable income would be taxable. ACFFC is classified as a Section 501(c)(4) organization, a tax-exempt organization but not qualified for the charitable contribution deduction.

Use of estimates. The preparation of the component units' financial statements, in conformity with U.S. generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions. Contributions received are recorded as without donor restrictions - unrestricted, with donor restrictions - temporarily restricted, or with donor restrictions - permanently restricted support, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends, or the purpose of the restriction is accomplished), with donor restrictions - temporarily or with donor restrictions - permanently restricted net assets are reclassified to without donor restrictions - unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Pledges Receivable

ASUEP pledges receivable (unconditional promises to give) are recorded at their net realizable value, which is net of a discount and loss allowance. Pledges are discounted using the applicable risk free rate at the date the pledge was recognized. The discount rates range from 0.6 percent to 6.0 percent. An allowance for uncollectible pledges is estimated based on the ASUEP's collection history and is recorded as a reduction to contribution support revenue and an increase in the allowance for uncollectible pledges.

The Sun Angel Foundation's pledges receivable are recorded at their net realizable value using a discount rate determined by management ranging from 0.6 percent to 5.1 percent for the year ended June 30, 2024.

Pledges receivable consist of *(Dollars in thousands)*

	ASU Enterprise Partners	Sun Angel Foundation	Total
Gross pledges receivable	$ 307,912	$ 23,702	$ 331,614
Present value discount	(25,068)	(577)	(25,645)
Allowance for uncollectible pledges	(40,649)	(2,840)	(43,489)
Net pledges receivable	**$ 242,195**	**$ 20,285**	**$ 262,480**

Gross pledges are receivable as follows *(Dollars in thousands)*

	ASU Enterprise Partners	Sun Angel Foundation	Total
Receivable in one year	$ 109,345	$ 13,666	$ 123,011
Receivable in two to five years	144,042	8,892	152,934
Receivable after five years	54,525	1,144	55,669
Total gross pledges to be received	**$ 307,912**	**$ 23,702**	**$ 331,614**

Members of the ASUEP's Board of Directors and Board of Trustees have made contributions and pledges to ASUEP in the current and prior years. At June 30, 2024, net unconditional pledges receivable from these members included approximately $714 thousand. The ASUEP had conditional pledges receivable totaling $273.0 million at June 30, 2024; none are included in pledges receivable. Conditional pledges receivable are recorded when the conditions are substantially met.

Investments

ASUEP investments are recorded at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. U.S. GAAP establishes a framework for measuring fair value, establishes a fair value hierarchy based on the inputs used to measure fair value and enhances disclosure requirements for fair value measurements. This guidance maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. Observable inputs that market participants would use in pricing the asset or liability are based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the report date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the report date. The nature of these securities include investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.

Level 3 - Securities that have little to no pricing observability as of the report date. These securities are measured using management's best estimate of fair value, where the inputs included in the determination of fair value are not observable and require significant management judgment or estimation.

ASUEP reports investments in accordance with Accounting Standards Codification sections 32X, *Investments* and 820, *Fair Value Measurement*. The fair values of publicly traded securities are based on quoted market prices and exchange rates, if applicable. The fair values of nonmarketable securities are based on valuations provided by external investment managers.

ASUEP exercises due diligence in assessing the policies, procedures and controls implemented by external investment managers. Investment income is recorded on an accrual basis, and purchases and sales of investment securities are reflected on a trade-date basis. Realized gains and losses are calculated using the average cost for securities sold. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility.

ASUEP spending policy for the consolidated investment pools follows the objectives of the investment policy and establishes the amount made available for spending in the endowment pools.

- The current spending policy is based on a constant growth formula, in which the amount available for spending is based on the prior year spending amount plus an inflation factor (3.4 percent), collared by a cap and floor of 4.25 percent and 3.25 percent, respectively, of a 12-quarter moving average calculated mid-fiscal year.
- In the event the current market value of the endowment is less than the historical gift value, spending will continue, unless the gift agreement does not permit spending in this circumstance.

ASUEP has ownership of certain cash and cash equivalents that are not in the possession of ASUEP but are held, along with other marketable securities, by outside investment managers for the benefit of the ASUEP. Although these cash and cash equivalents are readily available to ASUEP, it is the intent of ASUEP to hold these cash and cash equivalents for investment purposes and, accordingly, these cash and cash equivalents are classified as investment assets in the accompanying combined financial statements.

Investments, in general, are exposed to various risks, such as interest rate, credit and market. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the near term could materially affect account balances and the amounts reported in the accompanying consolidated financial statements.

Investment Summary

Investments consist of *(Dollars in thousands)*	ASU Enterprise Partners	ACFFC	Other Component Units	Total
Money market funds and cash equivalents	$ 40,311	$ 13,432		$ 53,743
Global equities	645,604			645,604
Global fixed income	302,328			302,328
Diversifying strategies	245,131			245,131
Real assets	127,369			127,369
Private capital	551,172			551,172
Other securities			$ 23,322	23,322
Other investments	67,965			67,965
Total investments	**$ 1,979,880**	**$ 13,432**	**$ 23,322**	**$ 2,016,634**

ASU Enterprise Partners Fair Value of Financial Instruments and Fair Value Measurements

(Dollars in thousands)	NAV	Level 1	Level 2	Level 3
Assets at fair value (recurring basis)				
Global equities	$ 12,517	$ 462,495		$ 170,591
Global fixed income	79,509	197,728	$ 4,392	20,700
Diversifying strategies	175,570	104	3,000	66,457
Real assets	58	447		126,865
Private capital		1,305		549,866
Cash and cash equivalents		40,310		
Total investments at fair value	$ 267,654	$ 702,389	$ 7,392	$ 934,479
Charitable trust receivable				745
Land and buildings held for investment				67,965
Assets with limited use		9,943		
Assets held under split-interest agreements		9,818		
Total assets at fair value	$ 267,654	$ 722,150	$ 7,392	$ 1,003,189
Liabilities at fair value (recurring basis)				
Assets held for other entities				$ 484,185
Unrealized swap liability			$ 1,735	
Total liabilities at fair value			$ 1,735	$ 484,185

Direct Financing Lease Agreements

ASU Enterprise Partners. ASUEP leases a portion of the Fulton Center building (ASUEP headquarters) to the University under a direct financing lease. At the end of the lease, ASUEP will gift their portion of the building to the University and the University will receive title to the building. ASUEP net investment in this direct financing lease at June 30, 2024 is $14.6 million.

Arizona Capital Facilities Finance Corporation (ACFFC). For the majority of Fiscal Year 2024, pursuant to a sublease agreement, dated April 7, 2004 and amended on December 1, 2017 (the Sublease), Nanotechnology Research, LLC (Nano), a wholly-owned subsidiary of ACFFC, leased its interest in the ASU Research Park to the University. The University made lease payments at times in amounts sufficient to pay all principal and interest on the Series 2017 Bonds. The Sublease was subject to early termination by the University upon the payment in full of the Series 2017 Bonds. Pursuant to the termination of the Sublease, the ACFFC's interest in the premises, including all buildings and improvements on the leased premises, transferred to the University without further consideration. In May 2024, the University issued the 2024A/B/C System Revenue and Refunding Bonds which defeased the Series 2017 Bonds resulting in a loss on defeasement of $156 thousand and equity transfer of $463 thousand. As a consequence of the University refunding, the MacroTechnology Works facility transferred ownership to the University.

Pursuant to a University lease agreement, dated July 1, 2005, McAllister Academic Village, LLC, a wholly-owned subsidiary of ACFFC, leases its interest in the non-residential portion of Hassayampa Academic Village (Hassayampa, HAV) to the University which consists of the academic, tutorial, retail and food service facilities. The lease was amended effective July 1, 2016 to change the annual renewal period through June 30, 2039 to correspond with the maturity of the Hassayampa 2016 Bonds. Any right, title or interest of Hassayampa in and to the academic portions of the Hassayampa Project will pass to the University without further cost upon the payment in full of the Hassayampa 2016 Bonds. Lease payments are based on the fixed interest rates determined by the Hassayampa 2016 Bonds maturity schedules. ACFFC's net investment in the McAllister (HAV) direct financing lease is $8.9 million at June 30, 2024.

Contingent Agreements

The University entered into a contingent funding agreement which allows the University to contribute funding to the extent a funding shortfall occurs during the fiscal year. The agreement for Hassayampa Academic Village (ACFFC) allows the University to fund deficiencies for debt service and operating expense shortfalls. To date no support has been provided.

Power Plant Agreements

Sun Devil Energy Center. In November 2004, the University entered into a privatized/third party agreement with ACFFC for the construction and operation by a third party energy management firm of a co-generation power plant on the University's Tempe campus with the power plant providing to the University a portion of its energy (electrical, chilled water and steam) needs. In June 2018, $23.6 million in additional Tax-Exempt Revenue Bonds were issued by Sun Devil Energy Center LLC to add a second turbine to the existing facility in order to meet the university's heating, cooling and electric generating needs for the new Biodesign C facility and future research facilities. The contract with ACFFC is effective through 2038, along with the related ground lease, and calls for minimum annual energy purchase obligations on the part of the University of approximately $11.6 million to cover ACFFC's fixed management services and capital costs. Additional billing amounts will be based on a pass through to the University of the service provider's variable costs, primarily natural gas.

Polytechnic Central Plant. In December 2008, the University entered into a privatized/third party agreement with ACFFC for the construction and operation by a third party energy management firm of a central plant on the University's Polytechnic campus to provide chilled water and emergency power for certain buildings on that campus. In October 2017, Energy Center LLC issued $11.3 million in Tax-Exempt Revenue Refunding Bonds (Energy Center 2017 Bonds). The proceeds of the Energy Center 2017 Bonds were used to refund and redeem $10.5 million of the Energy Center 2008 Bonds for savings. The contract with ACFFC is effective through 2028, along with the related ground lease, and calls for minimum annual purchase obligations by the University of approximately $1.9 million to cover ACFFC's fixed management services and capital costs. Additional billing amounts will be based on a pass through to the University of the service provider's variable costs, primarily electricity.

ASU Foundation Endowment and Net Asset Classification

Management of the ASUEP's endowment is governed by laws in the State of Arizona created under the Arizona Management of Charitable Funds Act (MCFA). The ASUEP has interpreted the statute as requiring the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the ASUEP classifies as permanently restricted net assets: (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. From time to time, the fair value of assets associated with the individual donor-restricted endowment funds may fall below the level required to be held in perpetuity. For these funds, the change in value is shown as with donor restrictions - temporarily restricted net investment return and is reported in with donor restrictions - temporarily restricted net assets. The remaining portion of the donor-restricted endowment fund that is not classified as with donor restrictions - permanently restricted net assets is classified as with donor restrictions - temporarily restricted net assets. Included in the ASUEP's endowment are the investment assets of the ASU Trust, the Bermuda Institute of Ocean Sciences (BIOS), a blended component unit, and the ASU Alumni Association (Alumni), a discretely-presented component unit, held and maintained under separate investment services agreements. ASUEP has recorded a liability at fair value to the ASU Trust, BIOS and Alumni endowment investments.

ASUEP endowment is invested in the Long Term Investment Pool (LTIP) and the Sustainable Responsible Impact Pool (SRIP). ASUEP investment policies for the LTIP and SRIP are reviewed periodically. The long-term financial objectives of the pools are to produce a relatively predictable and stable payout stream that increases over time at least as fast as the general rate of inflation and to preserve inter-generational equity by achieving growth of the pools at a rate that at least keeps pace with the general rate of inflation, net of spending.

ASU Enterprise Partners Endowment and Net Asset Classifications

ASU Enterprise Partners endowments by net asset category *(Dollars in thousands)*

		With Donor Restrictions		
	Without Donor Restrictions	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowments		$ 203,065	$ 676,549	$ 879,614
Quasi-endowments		136,099		136,099
Board-designated endowments	$ 60,750			60,750
Total funds	**$ 60,750**	**$ 339,164**	**$ 676,549**	**$ 1,076,463**

Changes in endowment net assets *(Dollars in thousands)*

		With Donor Restrictions		
	Without Donor Restrictions	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, June 30, 2023	$ 64,700	$ 612,231	$ 759,548	$ 1,436,479
Contributions and other additions		3,325	27,306	30,631
Investment return:				
Interest and dividends		27,088	420	27,508
Net realized and unrealized gains	(3,950)	111,828	3,171	111,049
Changes in assets due to other entities				
Total investment return	(3,950)	138,916	3,591	138,557
Appropriation for expenditure		(48,688)	(739)	(49,427)
Reclassification of donor intent		1,092	2,090	3,182
Liability due to other entities		(367,712)	(115,247)	(482,959)
Endowment net assets, June 30, 2024	**$ 60,750**	**$ 339,164**	**$ 676,549**	**$ 1,076,463**

Property and Equipment

Property and equipment consist of *(Dollars in thousands)*

	ASU Enterprise Partners	ACFFC	ASU Preparatory Academy Inc.	Other Component Units	Total
Cost or donated value:					
Buildings and improvements	$ 19,182	$ 196,723		$ 387	$ 216,292
Furniture, fixtures, and equipment	7,478	79,378	$ 1,841	40	88,737
Leasehold improvements			1,818	16,026	17,844
Software			27,471		27,471
Total cost or donated value	26,660	276,101	31,130	16,453	350,344
Accumulated depreciation	(15,092)	(192,156)	(11,887)	(12,253)	(231,388)
Net property and equipment	**$ 11,568**	**$ 83,945**	**$ 19,243**	**$ 4,200**	**$ 118,956**

Bonds and Obligations under Direct Financing Leases

Bonds payable consist of *(Dollars in thousands)*	Final Maturity	ASU Enterprise Partners	ACFFC	Total
Series 2018 Tax-Exempt Revenue Bonds (Sun Devil Energy Center)	2038		$ 19,065	$ 19,065
Series 2017 Tax-Exempt Lease Revenue Refunding Bonds (ASU Energy Center)	2028		5,850	5,850
Series 2016 Tax-Exempt Revenue Refunding Bonds (Hassayampa Academic Village)	2039		107,505	107,505
Series 2014A Tax-Exempt Lease Revenue Bonds (DC Project)	2035	$ 24,705		24,705
Series 2014A Revenue Refunding Bonds (Fulton)	2034	26,680		26,680
Series 2009 Revenue Bonds (Energy Management Services)	2024		3,885	3,885
Series 2008 Variable Rate Demand Revenue Refunding Bonds (Sun Devil Energy Center)	2030		18,935	18,935
Series 2004A Variable Rate Revenue Bonds (Brickyard)	2034	20,265		20,265
Unamortized loan costs			(1,137)	(1,137)
Deferred Cost of Refunding			(11,361)	(11,361)
Unamortized bond premium (discount)		(813)	6,140	5,327
		$ 70,837	**$ 148,882**	**$ 219,719**

The following schedule reflects future principal payment commitments to investors:

Future principal commitments consist of *(Dollars in thousands)* Year Ending June 30,	ASU Enterprise Partners	ACFFC	Total
2025	$ 5,010	$ 11,725	$ 16,735
2026	5,225	8,365	13,590
2027	5,470	8,915	14,385
2028	5,700	9,490	15,190
2029	5,960	10,100	16,060
Thereafter	43,472	100,287	143,759
	$ 70,837	**$ 148,882**	**$ 219,719**

Financial Statement Information

The following represents summary financial information for ASU's three major component units (ASU Enterprise Partners, ACFFC and ASU Preparatory Academy, Inc.) and all nonmajor component units combined:

Component Units
Statement of Financial Position
June 30, 2024
(Dollars in thousands)

	ASU Enterprise Partners	ACFFC	ASU Preparatory Academy, Inc.	Nonmajor Component Units	Total
Assets					
Cash and cash equivalents	$ 18,729	$ 7,717	$ 31,683	$ 11,447	$ 69,576
Pledges receivables, net	242,195			20,285	262,480
Other receivables, net	12,268	313	9,198	75,344	97,123
Investments in securities	1,911,915	13,432		23,322	1,948,669
Other investments	67,965				67,965
Other assets	44,381	7	11,996	2,737	59,121
Net investment in direct financing leases	14,600	8,921			23,521
Property and equipment, net	11,568	83,945	19,243	4,200	118,956
Total Assets	$ 2,323,621	$ 114,335	$ 72,120	$ 137,335	$ 2,647,411
Liabilities					
Accounts payable and accrued liabilities	$ 24,879	$ 7,549	$ 11,948	$ 398	$ 44,774
Deferred revenue			2,095	12,479	14,574
ASU endowment trust liability	445,190				445,190
Other liabilities	45,765			3,712	49,477
Lease liabilities			11,375	15	11,390
Long-term debt	70,837	148,882			219,719
Total Liabilities	$ 586,671	$ 156,431	$ 25,418	$ 16,604	$ 785,124
Net Assets					
Without Donor Restrictions - Unrestricted	$ 233,394	$ (42,096)	$ 46,665	$ 94,159	$ 332,122
With Donor Restrictions - Temporarily restricted	750,764		37	26,572	777,373
With Donor Restrictions - Permanently restricted	752,792				752,792
Total Net Assets (Deficit)	**$ 1,736,950**	**$ (42,096)**	**$ 46,702**	**$ 120,731**	**$ 1,862,287**

Component Units Statement of Activities Year ended June 30, 2024 *(Dollars in thousands)*	ASU Enterprise Partners	ACFFC	ASU Preparatory Academy, Inc.	Nonmajor Component Units	Total
Revenues					
Contributions	$ 209,924		$ 5,070	$ 18,176	$ 233,170
Rental revenues	2,564	$ 16,270		14,216	33,050
Sales and services	53,593	13,563	3,943	1,437	72,536
Net investment return	138,394	784		2,507	141,685
Grants and aid			79,408		79,408
Other revenues	5,613	4,575	25,810	524	36,522
Total Revenues	$ 410,088	$ 35,192	$ 114,231	$ 36,860	$ 596,371
Expenses					
Payments to the benefit of ASU -					
Cash donation transfers to ASU	$ 153,458			$ 17,825	$ 171,283
Vendor payments	13,372				13,372
Scholarship fund transfers to ASU	15,060				15,060
Rent payments to ASU		$ 3,440		6,183	9,623
Management and general	73,240	11,711	$ 111,204	5,909	202,064
Interest expense	932	6,342			7,274
Depreciation/amortization	1,212	10,438		412	12,062
Other expenses	20,087	72		1,398	21,557
Total Expenses	$ 277,361	$ 32,003	$ 111,204	$ 31,727	$ 452,295
Increase in Net Assets before Special Item and Loss	132,727	3,189	3,027	5,133	144,076
Special item: equity transfer		(463)			(463)
Loss on lease revaluation due to bond refinancing		(157)			(157)
Loss of uncollectible pledges				(1,248)	(1,248)
Loss on disposal of assets			(183)		(183)
Increase in Net Assets after Special Item and Loss	132,727	2,569	2,844	3,885	142,025
Net Assets (Deficit), Beginning of Year	1,604,223	(44,665)	43,858	116,846	1,720,262
Net Assets (Deficit), End of Year	**$ 1,736,950**	**$ (42,096)**	**$ 46,702**	**$ 120,731**	**$ 1,862,287**

Required Supplementary Information

Pension and Other Postemployment Benefits Liability

Schedule of the University's Proportionate Share of the Net Pension Liability
Arizona State Retirement System
(Dollars in thousands)

	Reporting Fiscal Year (Measurement Date)									
	2024 (2023)	**2023 (2022)**	**2022 (2021)**	**2021 (2020)**	**2020 (2019)**	**2019 (2018)**	**2018 (2017)**	**2017 (2016)**	**2016 (2015)**	**2015 (2014)**
University's proportion of the net pension liability	3.90%	3.80%	3.90%	3.82%	3.82%	3.67%	3.48%	3.39%	3.19%	3.05%
University's proportionate share of the net pension liability	$ 630,379	$ 620,853	$ 512,172	$ 662,381	$ 555,246	$ 511,370	$ 542,354	$ 546,672	$ 497,351	$ 451,741
University's covered payroll (trailing)	$ 510,005	$ 453,911	$ 439,041	$ 418,542	$ 402,882	$ 365,389	$ 340,502	$ 318,111	$ 295,068	$ 276,395
University's proportionate share of the net pension liability as a percentage of its covered payroll	123.60%	136.78%	116.66%	158.26%	137.82%	139.95%	159.28%	171.85%	168.55%	163.44%
Plan fiduciary net position as a percentage of the total pension liability	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

Schedule of the University's Proportionate Share of the Total OPEB Liability
Arizona Department of Administration OPEB Plan
(Dollars in thousands)

	Reporting Fiscal Year (Measurement Date)								
	2024 (2023)	**2023 (2022)**	**2022 (2021)**	**2021 (2020)**	**2020 (2019)**	**2019 (2018)**	**2018 (2017)**	**2017 (2016)**	**2015 through 2016**
University's proportion of the total OPEB liability	21.67%	20.38%	20.38%	19.87%	19.87%	16.16%	15.95%	15.95%	Information not available
University's proportionate share of the total OPEB liability	$ 119,351	$ 200,271	$ 244,247	$ 313,792	$ 252,852	$ 140,836	$ 134,500	$ 173,187	
Actuarially-determined University's covered payroll	$1,120,062	$ 938,155	$ 911,715	$ 874,270	$ 851,285	$ 731,068	$ 711,848	$ 781,648	
University's proportionate share of the total OPEB liability as a percentage of its covered payroll	10.7%	21.4%	26.8%	35.9%	29.7%	19.3%	18.9%	22.2%	

Schedule of University Pension Contributions Arizona State Retirement System *(Dollars in thousands)*										
	2024	**2023** [1] *(as restated)*	**2022** [1] *(as restated)*	**2021** [1] *(as restated)*	**2020** [1] *(as restated)*	**2019** [1] *(as restated)*	**2018** [1] *(as restated)*	**2017** [1] *(as restated)*	**2016** [1] *(as restated)*	**2015**
Statutorily required contribution	$ 69,178	$ 60,617	$ 54,381	$ 51,050	$ 47,844	$ 44,992	$ 39,726	$ 36,607	$ 34,408	$ 32,026
University's contributions in relation to the statutorily required contribution	$ 69,178	$ 60,617	$ 54,381	51,050	47,844	44,992	39,726	36,607	34,408	32,026
University's contribution deficiency (excess)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
University's covered payroll	$ 576,414	$ 510,005	$ 453,911	$ 439,041	$ 418,542	$ 402,882	$ 365,389	$ 340,502	$ 318,111	$ 295,068
University's contributions as a percentage of covered payroll	12.00%	11.89%	11.98%	11.63%	11.43%	11.17%	10.87%	10.75%	10.82%	10.85%

[1] University contributions are based on the employer contributions in the University's records. Each year there is an immaterial difference between employer pension contributions ASRS recognized and the employer contributions in the University's records due to timing differences. Prior year University contributions have been restated using the employer contributions ASRS recognized.

Supplementary Information

Nonmajor Discretely Presented Component Units

Nonmajor Component Units
Combining Statement of Financial Position
June 30, 2024
(Dollars in thousands)

	ASU Alumni Association	Arizona State University Research Park, Inc.	Sun Angel Foundation	Total
Assets				
Cash and cash equivalents	$ 430	$ 6,043	$ 4,974	$ 11,447
Pledges receivables, net			20,285	20,285
Other receivables, net	182	66,750	8,412	75,344
Investments in securities	23,322			23,322
Other assets	96	2,322	319	2,737
Property and equipment, net		4,200		4,200
Total Assets	$ 24,030	$ 79,315	$ 33,990	$ 137,335
Liabilities				
Accounts payable and accrued liabilities	$ 112	$ 101	$ 185	$ 398
Deferred revenue	83	12,396		12,479
Other liabilities	29	3,683		3,712
Lease liabilities	15			15
Total Liabilities	$ 239	$ 16,180	$ 185	$ 16,604
Net Assets				
Without Donor Restrictions - Unrestricted	$ 23,708	$ 63,135	$ 7,316	$ 94,159
With Donor Restrictions - Temporarily restricted	83		26,489	26,572
With Donor Restrictions - Permanently restricted				
Total Net Assets	**$ 23,791**	**$ 63,135**	**$ 33,805**	**$ 120,731**

Nonmajor Component Units Combining Statement of Activities Year ended June 30, 2024 *(Dollars in thousands)*				
	ASU Alumni Association	**Arizona State University Research Park, Inc.**	**Sun Angel Foundation**	**Total**
Revenues				
Contributions	$ 1,455		$ 16,721	$ 18,176
Rental revenues		$ 14,216		14,216
Sales and services	1,441		(4)	1,437
Net investment return	2,045	163	299	2,507
Other revenues	33	88	403	524
Total Revenues	$ 4,974	$ 14,467	$ 17,419	$ 36,860
Expenses				
Payments to the benefit of ASU -				
Cash donation transfers to ASU			$ 17,825	$ 17,825
Rent payments to ASU		$ 6,183		6,183
Management and general	$ 3,818	1,475	616	5,909
Depreciation/amortization	5	407		412
Other expenses	87	150	1,161	1,398
Total Expenses	$ 3,910	$ 8,215	$ 19,602	$ 31,727
Increase/(Decrease) in Net Assets, before Loss	1,064	6,252	(2,183)	5,133
Loss of uncollectible pledges			(1,248)	(1,248)
Increase/(Decrease) in Net Assets after Loss	1,064	6,252	(3,431)	3,885
Net Assets, Beginning of Year	22,727	56,883	37,236	116,846
Net Assets, End of Year	**$ 23,791**	**$ 63,135**	**$ 33,805**	**$ 120,731**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Statistical Section

Narrative to the Statistical Section

Net Position by Component										
Fiscal year ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
(Dollars in thousands)										
Net investment in capital assets [1]	$ 1,340,722	$ 1,205,931	$ 1,147,404	$ 1,107,148	$ 1,042,673	$ 985,149	$ 956,220	$ 852,262	$ 778,867	$ 718,642
Restricted, Nonexpendable	114,261	109,039	104,729	91,623	87,497	84,714	78,813	74,102	70,544	64,833
Restricted, Expendable	216,436	209,011	203,211	175,937	127,614	118,626	119,410	124,703	117,977	109,664
Unrestricted [1] [2]	626,157	579,506	437,294	235,307	104,279	166,899	115,542	282,765	253,728	161,623
Total Net Position	**$ 2,297,576**	**$ 2,103,487**	**$ 1,892,638**	**$ 1,610,015**	**$ 1,362,063**	**$1,355,388**	**$ 1,269,985**	**$ 1,333,832**	**$ 1,221,116**	**$ 1,054,762**
Expressed as a percent of the total										
	%	%	%	%	%	%	%	%	%	%
Net investment in capital assets	58.3	57.3	60.6	68.8	76.6	72.7	75.3	63.9	63.8	68.1
Restricted, Nonexpendable	5.0	5.2	5.5	5.7	6.4	6.3	6.2	5.6	5.8	6.2
Restricted, Expendable	9.4	9.9	10.8	10.9	9.4	8.8	9.4	9.3	9.6	10.4
Unrestricted	27.3	27.6	23.1	14.6	7.6	12.2	9.1	21.2	20.8	15.3
Total Net Position	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Percentage increase/(decrease) from prior year										
	%	%	%	%	%	%	%	%	%	%
Net investment in capital assets	11.2	5.1	3.6	6.2	5.8	3.0	12.2	9.4	8.4	3.3
Restricted, Nonexpendable	4.8	4.1	14.3	4.7	3.3	7.5	6.4	5.0	8.8	9.0
Restricted, Expendable	3.6	2.9	15.5	37.9	7.6	(0.7)	(4.2)	5.7	7.6	(3.8)
Unrestricted	8.1	32.5	85.8	125.7	(37.5)	44.4	(59.1)	11.4	57.0	(71.3)
Total Net Position	**9.2**	**11.1**	**17.6**	**18.2**	**0.5**	**6.7**	**(4.8)**	**9.2**	**15.8**	**(26.4)**

[1] Balances prior to FY 2022 have not been adjusted for the implementation of GASB Statement No. 87, *Leases*. Balances prior to FY 2023 have not been adjusted for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.
[2] Balances prior to FY 2016 have not been adjusted for the implementation of GASB Statement No. 72, *Fair Value Measurement and Application.* Balances prior to FY 2018 have not been adjusted for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other then Pensions,* as amended by GASB Statement No. 85, *Omnibus 2017.* Balances prior to FY 2024 have not been adjusted for the implementation of GASB Statement No. 101, *Compensated Absences.*

Statement of Net Position[1] *(Dollars in thousands)*										
June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Assets										
Current Assets										
Cash and cash equivalents	$ 289,698	$ 319,140	$ 354,327	$ 370,630	$ 272,636	$ 239,203	$ 78,147	$ 167,188	$ 72,543	$ 47,316
Short-term investments	53,623	109,136	87,153	48,819	89,712	70,908	43,789	45,739	68,527	30,775
Accounts receivables, net	462,251	386,671	350,201	341,511	240,862	238,119	134,045	143,601	120,235	201,136
Lease receivables	5,124	4,602	3,527							
Other assets	18,710	20,677	18,167	12,149	12,664	5,714	2,623	4,282	3,344	3,377
Total Current Assets	**$ 829,406**	**$ 840,226**	**$ 813,375**	**$ 773,109**	**$ 615,874**	**$ 553,944**	**$ 258,604**	**$ 360,810**	**$ 264,649**	**$ 282,604**
Noncurrent Assets										
Restricted cash and cash equivalents	$ 356,171	$ 248,325	$ 207,879	$ 243,260	$ 273,773	$ 280,166	$ 215,942	$ 298,730	$ 236,711	$ 247,270
Endowment investments	459,444	420,061	401,426	371,178	256,932	250,356	137,372	130,118	113,659	116,252
Other investments	1,092,270	1,004,250	856,615	672,140	594,531	595,537	814,098	732,745	729,729	572,558
Student loans receivable, net	2,649	2,868	3,674	5,452	6,397	7,820	8,185	10,365	10,923	10,668
Lease receivables	102,735	73,773	60,103							
Other postemployment benefits asset	21,743									
Other assets/equity interest for Thunderbird	286	3,064	4,411	185	195	361	595	526	17,200	17,401
Capital assets, net	4,087,901	3,798,093	3,604,752	3,227,901	2,949,115	2,749,258	2,634,819	2,433,826	2,226,823	2,076,892
Total Noncurrent Assets	**$ 6,123,199**	**$ 5,550,434**	**$ 5,138,860**	**$ 4,520,116**	**$ 4,080,943**	**$ 3,883,498**	**$ 3,811,011**	**$ 3,606,310**	**$ 3,335,045**	**$ 3,041,041**
Total Assets	**$ 6,952,605**	**$ 6,390,660**	**$ 5,952,235**	**$ 5,293,225**	**$ 4,696,817**	**$ 4,437,442**	**$ 4,069,615**	**$ 3,967,120**	**$ 3,599,694**	**$ 3,323,645**
Deferred Outflows of Resources										
Interest rate swap	$ 2,397	$ 2,901	$ 5,842	$ 15,058	$ 20,107	$ 15,298	$ 11,043	$ 15,379	$ 23,206	$ 16,772
Unamortized loss on refunding debt	17,087	17,655	19,672	21,650	27,536	29,594	31,968	30,449	40,912	42,475
Pensions related and other postemployment benefits	171,875	186,541	240,575	250,317	185,322	115,338	103,546	138,215	77,199	72,481
Total Deferred Outflows of Resources	**$ 191,359**	**$ 207,097**	**$ 266,089**	**$ 287,025**	**$ 232,965**	**$ 160,230**	**$ 146,557**	**$ 184,043**	**$ 141,317**	**$ 131,728**
Liabilities										
Current Liabilities										
Accounts payable and accrued liabilities	$ 139,132	$ 146,610	$ 182,654	$ 259,009	$ 208,749	$ 187,417	$ 149,666	$ 127,029	$ 131,156	$ 94,998
Compensated absences [3]	29,752	6,688	6,033	5,528	4,844	3,919	3,723	3,286	3,235	3,167
Unearned revenues	407,266	378,133	295,152	244,487	196,674	167,545	78,192	65,619	51,385	55,176
Funds held for others	27,691	32,070	20,412	15,871	13,338	19,961	17,898	23,350	29,054	18,270
Lease and subscription liabilities	31,999	36,285	22,132							
Current portion of long-term debt	183,414	172,753	171,655	172,197	168,432	165,240	158,716	153,132	159,784	70,780
Total Current Liabilities	**$ 819,254**	**$ 772,539**	**$ 698,038**	**$ 697,092**	**$ 592,037**	**$ 544,082**	**$ 408,195**	**$ 372,416**	**$ 374,614**	**$ 242,391**
Noncurrent Liabilities										
Compensated absences [3]	$ 55,137	$ 46,497	$ 42,455	$ 44,388	$ 41,093	$ 33,352	$ 31,570	$ 28,772	$ 27,441	$ 26,847
Other liabilities	28,664	28,935	23,696	19,557	17,496	10,819	11,614	2,577	3,558	25,815
Derivative instrument - Interest rate swap	2,397	2,901	5,842	15,058	20,107	15,298	11,043	15,379	23,206	16,772
Net Pension and other postemployment benefits liability	784,482	831,945	787,549	1,029,747	860,875	700,057	719,592	631,938	559,071	484,133
Lease and subscription liabilities	271,750	249,975	219,448							
Long-term debt	2,517,149	2,295,175	2,193,845	2,133,253	1,967,018	1,835,792	1,690,670	1,697,622	1,489,533	1,525,037
Total Noncurrent Liabilities	**$ 3,659,579**	**$ 3,455,428**	**$ 3,272,835**	**$ 3,242,003**	**$ 2,906,589**	**$ 2,595,318**	**$ 2,464,489**	**$ 2,376,288**	**$ 2,102,809**	**$ 2,078,604**
Total Liabilities	**$ 4,478,833**	**$ 4,227,967**	**$ 3,970,873**	**$ 3,939,095**	**$ 3,498,626**	**$ 3,139,400**	**$ 2,872,684**	**$ 2,748,704**	**$ 2,477,423**	**$ 2,320,995**
Deferred Inflows of Resources										
Unamortized gain on refunding debt	$ 2,824	$ 1,808	$ 2,013	$ 2,218	$ 1,607	$ 1,761	$ 1,894	$ 1,116		
Pensions related and other postemployment benefits	259,510	187,067	289,380	28,922	67,486	101,123	71,609	67,511	$ 42,472	$ 79,616
Leases	105,221	77,428	63,420							
Total Deferred Inflows of Resources	**$ 367,555**	**$ 266,303**	**$ 354,813**	**$ 31,140**	**$ 69,093**	**$ 102,884**	**$ 73,503**	**$ 68,627**	**$ 42,472**	**$ 79,616**
Net Position										
Net investment in capital assets [1]	$ 1,340,722	$ 1,205,931	$ 1,147,404	$ 1,107,148	$ 1,042,673	$ 985,149	$ 956,220	$ 852,262	$ 778,867	$ 718,642
Restricted										
Nonexpendable:										
Student aid	97,130	91,936	87,652	84,722	80,741	77,959	72,059	67,365	63,807	59,185
Academic department uses	17,131	17,103	17,077	6,901	6,756	6,755	6,754	6,737	6,737	5,648
Expendable:										
Student aid	92,217	81,367	81,345	71,208	36,071	33,821	33,024	40,962	38,907	44,109
Academic department uses	116,917	120,088	115,207	95,788	84,548	78,112	79,868	77,450	72,534	63,919
Capital projects and debt service	7,302	7,556	6,659	8,941	6,995	6,693	6,518	6,291	6,536	1,636
Unrestricted [1] [2]	626,157	579,506	437,294	235,307	104,279	166,899	115,542	282,765	253,728	161,623
Total Net Position	**$ 2,297,576**	**$ 2,103,487**	**$ 1,892,638**	**$ 1,610,015**	**$ 1,362,063**	**$ 1,355,388**	**$ 1,269,985**	**$ 1,333,832**	**$ 1,221,116**	**$ 1,054,762**

[1] Balances prior to FY 2022 have not been adjusted for the implementation of GASB lease standards. Balances prior to FY 2023 have not been adjusted for the implementation of GASB SBITA standards.
[2] Balances prior to FY 2018 have not been adjusted for the implementation of GASB OPEB standards.
[3] Balances prior to FY 2024 have not been adjusted for the implementation of GASB Statement No. 101, *Compensated Absences.*

Statement of Net Position – Adjusted for Pensions and Other Postemployment Benefits[1] *(Dollars in thousands)*

June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Assets										
Current Assets										
Cash and cash equivalents	$ 289,698	$ 319,140	$ 354,327	$ 370,630	$ 272,636	$ 239,203	$ 78,147	$ 167,188	$ 72,543	$ 47,316
Short-term investments	53,623	109,136	87,153	48,819	89,712	70,908	43,789	45,739	68,527	30,775
Accounts receivables, net	462,251	386,671	350,201	341,511	240,862	238,119	134,045	143,601	120,235	201,136
Lease receivables	5,124	4,602	3,527							
Other assets	18,710	20,677	18,167	12,149	12,664	5,714	2,623	4,282	3,344	3,377
Total Current Assets	**$ 829,406**	**$ 840,226**	**$ 813,375**	**$ 773,109**	**$ 615,874**	**$ 553,944**	**$ 258,604**	**$ 360,810**	**$ 264,649**	**$ 282,604**
Noncurrent Assets										
Restricted cash and cash equivalents	$ 356,171	$ 248,325	$ 207,879	$ 243,260	$ 273,773	$ 280,166	$ 215,942	$ 298,730	$ 236,711	$ 247,270
Endowment investments	459,444	420,061	401,426	371,178	256,932	250,356	137,372	130,118	113,659	116,252
Other investments	1,092,270	1,004,250	856,615	672,140	594,531	595,537	814,098	732,745	729,729	572,558
Student loans receivable, net	2,649	2,868	3,674	5,452	6,397	7,820	8,185	10,365	10,923	10,668
Lease receivables	102,735	73,773	60,103							
Other assets/equity interest for Thunderbird	286	3,064	4,411	185	195	361	595	526	17,200	17,401
Capital assets, net	4,087,901	3,798,093	3,604,752	3,227,901	2,949,115	2,749,258	2,634,819	2,433,826	2,226,823	2,076,892
Total Noncurrent Assets	**$ 6,101,456**	**$ 5,550,434**	**$ 5,138,860**	**$ 4,520,116**	**$ 4,080,943**	**$ 3,883,498**	**$ 3,811,011**	**$ 3,606,310**	**$ 3,335,045**	**$ 3,041,041**
Total Assets	**$ 6,930,862**	**$ 6,390,660**	**$ 5,952,235**	**$ 5,293,225**	**$ 4,696,817**	**$ 4,437,442**	**$ 4,069,615**	**$ 3,967,120**	**$ 3,599,694**	**$ 3,323,645**
Deferred Outflows of Resources										
Interest rate swap	$ 2,397	$ 2,901	$ 5,842	$ 15,058	$ 20,107	$ 15,298	$ 11,043	$ 15,379	$ 23,206	$ 16,772
Unamortized loss on refunding debt	17,087	17,655	19,672	21,650	27,536	29,594	31,968	30,449	40,912	42,475
Total Deferred Outflows of Resources	**$ 19,484**	**$ 20,556**	**$ 25,514**	**$ 36,708**	**$ 47,643**	**$ 44,892**	**$ 43,011**	**$ 45,828**	**$ 64,118**	**$ 59,247**
Liabilities										
Current Liabilities										
Accounts payable and accrued liabilities	$ 151,946	$ 159,424	$ 194,577	$ 270,284	$ 219,696	$ 196,100	$ 157,300	$ 136,679	$ 137,378	$ 99,910
Compensated absences [2]	29,752	6,688	6,033	5,528	4,844	3,919	3,723	3,286	3,235	3,167
Unearned revenues	407,266	378,133	295,152	244,487	196,674	167,545	78,192	65,619	51,385	55,176
Funds held for others	27,691	32,070	20,412	15,871	13,338	19,961	17,898	23,350	29,054	18,270
Lease and subscription liabilities	31,999	36,285	22,132							
Current portion of long-term debt	183,414	172,753	171,655	172,197	168,432	165,240	158,716	153,132	159,784	70,780
Total Current Liabilities	**$ 832,068**	**$ 785,353**	**$ 709,961**	**$ 708,367**	**$ 602,984**	**$ 552,765**	**$ 415,829**	**$ 382,066**	**$ 380,836**	**$ 247,303**
Noncurrent Liabilities										
Compensated absences [2]	$ 55,137	$ 46,497	$ 42,455	$ 44,388	$ 41,093	$ 33,352	$ 31,570	$ 28,772	$ 27,441	$ 26,847
Other liabilities	48,944	46,586	40,377	36,126	34,490	28,786	27,427	17,229	18,206	38,302
Derivative instrument - Interest rate swap	2,397	2,901	5,842	15,058	20,107	15,298	11,043	15,379	23,206	16,772
Lease and subscription liabilities	271,750	249,975	219,448							
Long-term debt	2,517,149	2,295,175	2,193,845	2,133,253	1,967,018	1,835,792	1,690,670	1,697,622	1,489,533	1,525,037
Total Noncurrent Liabilities	**$ 2,895,377**	**$ 2,641,134**	**$ 2,501,967**	**$ 2,228,825**	**$ 2,062,708**	**$ 1,913,228**	**$ 1,760,710**	**$ 1,759,002**	**$ 1,558,386**	**$ 1,606,958**
Total Liabilities	**$ 3,727,445**	**$ 3,426,487**	**$ 3,211,928**	**$ 2,937,192**	**$ 2,665,692**	**$ 2,465,993**	**$ 2,176,539**	**$ 2,141,068**	**$ 1,939,222**	**$ 1,854,261**
Deferred Inflows of Resources										
Unamortized gain on refunding debt	$ 2,824	$ 1,808	$ 2,013	$ 2,218	$ 1,607	$ 1,761	$ 1,894	$ 1,116		
Leases	105,221	77,428	63,420							
Total Deferred Inflows of Resources	**$ 108,045**	**$ 79,236**	**$ 65,433**	**$ 2,218**	**$ 1,607**	**$ 1,761**	**$ 1,894**	**$ 1,116**		
Net Position										
Net investment in capital assets [1] [2]	$ 1,340,722	$ 1,205,931	$ 1,147,404	$ 1,107,148	$ 1,042,673	$ 985,149	$ 956,220	$ 852,262	$ 778,867	$ 718,642
Restricted										
Nonexpendable:										
Student aid	97,130	91,936	87,652	84,722	80,741	77,959	72,059	67,365	63,807	59,185
Academic department uses	17,131	17,103	17,077	6,901	6,756	6,755	6,754	6,737	6,737	5,648
Expendable:										
Student aid	92,217	81,367	81,345	71,208	36,071	33,821	33,024	40,962	38,907	44,109
Academic department uses	116,917	120,088	115,207	95,788	84,548	78,112	79,868	77,450	72,534	63,919
Capital projects and debt service	7,302	7,556	6,659	8,941	6,995	6,693	6,518	6,291	6,536	1,636
Unrestricted [1] [2]	1,443,437	1,381,512	1,245,044	1,015,815	819,377	826,091	779,750	819,697	757,202	635,492
Total Net Position	**$ 3,114,856**	**$ 2,905,493**	**$ 2,700,388**	**$ 2,390,523**	**$ 2,077,161**	**$ 2,014,580**	**$1,934,193**	**$ 1,870,764**	**$ 1,724,590**	**$ 1,528,631**

[1] All balances for FY 2016 and thereafter have been adjusted to remove the impact of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, as amended by GASB Statement No. 85, Omnibus 2017.
[2] Balances prior to FY 2022 have not been adjusted for the implementation of GASB Statement No. 87, *Leases*. Balances prior to FY 2023 have not been adjusted for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Balances prior to FY 2024 have not been adjusted for the implementation of GASB Statement No. 101, *Compensated Absences*.

Changes in Net Position

Changes in Net Position *(Dollars in thousands)*										
Fiscal Year Ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Revenues										
Operating Revenues										
Student tuition and fees, net	$ 2,028,283	$ 1,889,421	$ 1,689,832	$ 1,598,180	$ 1,550,581	$ 1,423,052	$ 1,323,268	$ 1,250,828	$ 1,157,535	$ 1,021,014
Research grants and contracts	520,276	472,219	416,703	364,375	365,498	344,128	313,558	271,730	253,158	237,489
Sales and services										
Auxiliary enterprises	250,411	253,898	243,554	124,080	170,182	183,534	166,057	161,797	149,734	145,008
Educational departments	108,220	108,130	103,957	93,279	72,451	78,508	94,158	81,543	69,523	67,230
Other revenues (2)	23,713	28,420	37,918	40,872	21,884	19,347	18,745	16,326	14,387	12,001
Total Operating Revenues	**$ 2,930,903**	**$ 2,752,088**	**$ 2,491,964**	**$ 2,220,786**	**$ 2,180,596**	**$ 2,048,569**	**$ 1,915,786**	**$ 1,782,224**	**$ 1,644,337**	**$ 1,482,742**
Expenses										
Operating Expenses										
Educational and general										
Instruction	$ 1,249,919	$ 1,208,272	$ 1,076,407	$ 1,053,721	$ 1,016,720	$ 961,580	$ 881,696	$ 810,656	$ 749,722	$ 686,397
Research	497,893	456,087	414,259	384,431	359,936	323,623	297,448	267,303	261,055	244,763
Public service	65,213	51,536	47,842	100,908	38,415	36,140	37,524	35,378	36,807	36,201
Academic support	529,589	458,764	396,339	392,787	371,378	304,645	299,208	294,706	265,540	247,700
Student services	232,229	218,958	176,664	159,384	166,131	151,295	136,125	123,377	111,018	98,491
Institutional support	249,379	236,475	212,285	201,507	188,937	171,016	159,109	152,226	155,172	151,613
Operation and maintenance of plant	166,685	141,919	116,116	105,823	113,640	122,567	119,349	116,456	108,454	102,167
Scholarships and fellowships	328,277	290,776	293,349	300,202	292,914	247,194	211,811	187,124	152,802	136,675
Auxiliary enterprises	237,058	245,144	225,493	184,771	191,862	179,578	175,130	154,794	147,562	143,184
Depreciation	231,719	220,984	201,287	152,440	143,587	137,064	132,814	123,705	116,381	114,617
Total Operating Expenses	**$ 3,787,961**	**$ 3,528,915**	**$ 3,160,041**	**$ 3,035,974**	**$ 2,883,520**	**$2,634,702**	**$ 2,450,214**	**$ 2,265,725**	**$ 2,104,513**	**$ 1,961,808**
Operating Loss	**$ (857,058)**	**$ (776,827)**	**$ (668,077)**	**$ (815,188)**	**$ (702,924)**	**$ (586,133)**	**$ (534,428)**	**$ (483,501)**	**$ (460,176)**	**$ (479,066)**
Nonoperating Revenues (Expenses)										
State appropriations	$ 423,778	$ 405,040	$ 385,527	$ 306,346	$ 323,332	$ 303,370	$ 306,778	$ 296,913	$ 281,385	$ 338,042
Share of state tax - TRIF	42,221	35,663	44,600	36,833	34,075	34,604	32,540	31,326	31,075	26,526
Financial aid grants	244,649	216,672	200,843	198,432	186,818	168,230	152,500	128,474	124,188	115,070
Grants and contracts	158,227	130,826	256,969	379,817	71,623	57,365	58,624	56,233	56,743	49,037
Private gifts	109,185	97,428	76,602	76,335	76,803	82,731	75,791	74,282	99,612	57,651
Financial aid trust funds (1)								16,019	14,833	13,615
Net investment return (loss)	126,086	60,214	(58,838)	75,808	44,756	60,603	12,778	23,038	9,382	5,133
Interest on debt	(90,472)	(84,048)	(76,122)	(67,838)	(65,342)	(63,413)	(61,903)	(69,135)	(59,972)	(53,428)
Other revenues (expenses)	(14,635)	4,633	(7,102)	(16,573)	(15,982)	(22,341)	(8,590)	(7,610)	(16,039)	(9,814)
Net Nonoperating Revenues	**$ 999,039**	**$ 866,428**	**$ 822,479**	**$ 989,160**	**$ 656,083**	**$ 621,149**	**$ 568,518**	**$ 549,540**	**$ 541,207**	**$ 541,832**
Income (loss) before other revenues, expenses, gains, or losses	**$ 141,981**	**$ 89,601**	**$ 154,402**	**$ 173,972**	**$ (46,841)**	**$ 35,016**	**$ 34,090**	**$ 66,039**	**$ 81,031**	**$ 62,766**
Capital appropriations	$ 26,508	$ 80,246	$ 25,985	$ 25,840	$ 25,622	$ 25,406	$ 13,479	$ 11,190	$ 11,422	$ 15,000
Capital commitments	7,887	15,032	30,122	9,054	9,537	9,532	9,540	15,421	9,537	5,121
Capital grants	11,685	391	5,120	13,223	1,165	62	109	320	1	158
Capital private gifts	6,023	4,627	28,290	3,561	17,022	14,961	5,822	6,390	4,936	7,106
Additions to permanent endowments	5	6	27	1,348	170	426	34	13	1,577	2,089
Gain on the sale of real property				20,954						
Increase in Net Position	**$ 194,089**	**$ 189,903**	**$ 243,946**	**$ 247,952**	**$ 6,675**	**$ 85,403**	**$ 63,074**	**$ 99,373**	**$ 108,504**	**$ 92,240**
Total Revenues	$ 4,087,157	$ 3,802,866	$ 3,487,211	$ 3,368,337	$ 2,971,519	$2,805,859	$ 2,583,781	$ 2,441,843	$ 2,289,028	$ 2,117,290
Total Expenses	$ 3,893,068	$ 3,612,963	$ 3,243,265	$ 3,120,385	$ 2,964,844	$2,720,456	$ 2,520,707	$ 2,342,470	$ 2,180,524	$ 2,025,050
Increase in Net Position	**$ 194,089**	**$ 189,903**	**$ 243,946**	**$ 247,952**	**$ 6,675**	**$ 85,403**	**$ 63,074**	**$ 99,373**	**$ 108,504**	**$ 92,240**

(1) Balances prior to FY 2018 presented Financial Aid Trust funds as a nonoperating revenue source. In FY 2018 Financial Aid Trust fund activities were included in student tuition and fees, net and state appropriations.
(2) In compliance with Arizona Revised Statute 35-391, the University discloses the following: For FY 2024, the University received credit card rebates in the amount of $1.4 million from JP Morgan, $0.6 million from U.S. Bank and $0.4 million from Commerce Bank.

Changes in Net Position (Expressed as a percent of Total Revenues / Total Expenses)										
Fiscal Year Ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
	%	%	%	%	%	%	%	%	%	%
Revenues										
Operating Revenues										
Student tuition and fees, net	49.6	49.7	48.5	47.4	52.2	50.7	51.2	51.2	50.6	48.2
Research grants and contracts	12.8	12.5	11.9	10.8	12.3	12.3	12.1	11.1	11.1	11.2
Sales and services										
Auxiliary enterprises	6.1	6.7	7.0	3.7	5.7	6.5	6.4	6.6	6.5	6.9
Educational departments	2.6	2.8	3.0	2.8	2.5	2.8	3.7	3.4	3.0	3.2
Other revenues	0.6	0.7	1.1	1.2	0.7	0.7	0.7	0.7	0.6	0.6
Total Operating Revenues	**71.7**	**72.4**	**71.5**	**65.9**	**73.4**	**73.0**	**74.1**	**73.0**	**71.8**	**70.1**
Expenses										
Operating Expenses										
Educational and general										
Instruction	*32.1*	*33.5*	*33.3*	*33.8*	*34.3*	*35.3*	*35.0*	*34.6*	*34.4*	*33.9*
Research	*12.7*	*12.6*	*12.8*	*12.3*	*12.1*	*11.9*	*11.8*	*11.4*	*12.0*	*12.1*
Public service	*1.7*	*1.4*	*1.5*	*3.2*	*1.3*	*1.3*	*1.5*	*1.5*	*1.7*	*1.8*
Academic support	*13.6*	*12.7*	*12.2*	*12.6*	*12.5*	*11.2*	*11.9*	*12.6*	*12.2*	*12.2*
Student services	*6.0*	*6.1*	*5.4*	*5.1*	*5.6*	*5.6*	*5.4*	*5.3*	*5.1*	*4.9*
Institutional support	*6.4*	*6.5*	*6.5*	*6.5*	*6.4*	*6.3*	*6.3*	*6.5*	*7.1*	*7.5*
Operation and maintenance of plant	*4.3*	*3.9*	*3.6*	*3.4*	*3.8*	*4.5*	*4.7*	*5.0*	*5.0*	*5.0*
Scholarships and fellowships	*8.4*	*8.0*	*9.0*	*9.6*	*9.9*	*9.1*	*8.4*	*8.0*	*7.0*	*6.7*
Auxiliary enterprises	*6.1*	*6.9*	*7.0*	*5.9*	*6.6*	*6.6*	*6.9*	*6.6*	*6.7*	*7.1*
Depreciation	*6.0*	*6.1*	*6.2*	*4.9*	*4.8*	*5.0*	*5.3*	*5.3*	*5.3*	*5.7*
Total Operating Expenses	**92.7**	**92.8**	**90.7**	**90.1**	**97.3**	**93.9**	**94.8**	**92.8**	**91.9**	**92.7**
Operating Loss	**(21.0)**	**(20.4)**	**(19.2)**	**(24.2)**	**(23.6)**	**(20.9)**	**(20.7)**	**(19.8)**	**(20.1)**	**(22.6)**
Nonoperating Revenues (Expenses)										
State appropriations	10.4	10.8	11.1	9.1	10.9	11.0	11.9	12.2	12.3	16.0
Share of state tax - TRIF	1.0	0.9	1.3	1.1	1.1	1.2	1.3	1.3	1.4	1.3
Financial aid grants	6.0	5.8	5.8	5.9	6.3	6.0	5.9	5.3	5.4	5.4
Grants and contracts	3.9	3.4	7.4	11.3	2.4	2.0	2.3	2.3	2.5	2.3
Private gifts	2.7	2.6	2.2	2.3	2.6	2.9	2.9	3.0	4.4	2.7
Financial aid trust funds [1]	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.6	0.6
Net investment return (loss)	3.1	1.6	(1.8)	2.3	1.5	2.2	0.5	0.9	0.4	0.2
Interest on debt	*2.3*	*2.3*	*2.3*	*2.2*	*2.2*	*2.4*	*2.5*	*2.9*	*2.8*	*2.6*
Other revenues (expenses)	*0.4*	*0.0*	*0.2*	*0.5*	*0.5*	*0.8*	*0.3*	*0.3*	*0.7*	*0.5*
Net Nonoperating Revenues	**24.4**	**22.8**	**23.5**	**29.3**	**22.1**	**22.1**	**22.0**	**22.5**	**23.6**	**25.6**
Income (loss) before other revenues, expenses, gains, or losses	**3.4**	**2.4**	**4.3**	**5.1**	**(1.5)**	**1.2**	**1.3**	**2.7**	**3.5**	**3.0**
Capital appropriations	0.6	2.0	0.7	0.8	0.9	0.9	0.5	0.5	0.5	0.7
Capital commitment	0.2	0.4	0.9	0.3	0.3	0.3	0.4	0.6	0.4	0.2
Capital grants	0.3	0.0	0.1	0.4	0.0	0.0	0.0	0.0	0.0	0.0
Capital private gifts	0.1	0.1	0.8	0.1	0.6	0.5	0.2	0.3	0.2	0.4
Additions to permanent endowments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Gain on the sale of real property	0.0	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Increase in Net Position	**4.6**	**4.9**	**6.8**	**7.2**	**0.3**	**2.9**	**2.4**	**4.1**	**4.7**	**4.4**

[1] Balances prior to FY 2018 presented Financial Aid Trust funds as a nonoperating revenue source. In FY 2018 Financial Aid Trust fund activities were included in student tuition and fees, net and state appropriations.

Percent of Total Expense is italicized.

Changes in Net Position (Percentage increase (decrease) from prior year)										
Fiscal Year Ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
	%	%	%	%	%	%	%	%	%	%
Revenues										
Operating Revenues										
Student tuition and fees, net	7.3	11.8	5.7	3.1	9.0	7.5	5.8	8.1	13.4	13.8
Research grants and contracts	10.2	13.3	14.4	(0.3)	6.2	9.7	15.4	7.3	6.6	(2.8)
Sales and services										
Auxiliary enterprises	(1.4)	4.2	96.3	(27.1)	(7.3)	10.5	2.6	8.1	3.3	3.2
Educational departments	0.1	4.0	11.4	28.7	(7.7)	(16.6)	15.5	17.3	3.4	15.0
Other revenues	(16.6)	(25.0)	(7.2)	86.8	13.1	3.2	14.8	13.5	19.9	42.1
Total Operating Revenues	6.5	10.4	12.2	1.8	6.4	6.9	7.4	8.4	10.9	9.9
Expenses										
Operating Expenses										
Educational and general										
Instruction	3.4	12.3	2.2	3.6	5.7	9.1	8.8	8.1	9.2	11.2
Research	9.2	10.1	7.8	6.8	11.2	8.8	11.3	2.4	6.7	3.8
Public service	26.5	7.7	(52.6)	162.7	6.3	(3.7)	6.1	(3.9)	1.7	(10.0)
Academic support	15.4	15.8	0.9	5.8	21.9	1.8	1.5	11.0	7.2	9.7
Student services	6.1	23.9	10.8	(4.1)	9.8	11.1	10.3	11.1	12.7	36.0
Institutional support	5.5	11.4	5.3	6.7	10.5	7.5	4.5	(1.9)	2.3	11.2
Operation and maintenance of plant	17.5	22.2	9.7	(6.9)	(7.3)	2.7	2.5	7.4	6.2	3.3
Scholarships and fellowships	12.9	(0.9)	(2.3)	2.5	18.5	16.7	13.2	22.5	11.8	7.2
Auxiliary enterprises	(3.3)	8.7	22.0	(3.7)	6.8	2.5	13.1	4.9	3.1	9.7
Depreciation	4.9	9.8	32.0	6.2	4.8	3.2	7.4	6.3	1.5	2.1
Total Operating Expenses	7.3	11.7	4.1	5.3	9.4	7.5	8.1	7.7	7.3	9.2
Operating Loss	10.3	16.3	(18.0)	16.0	19.9	9.7	10.5	5.1	(3.9)	6.9
Nonoperating Revenues (Expenses)										
State appropriations	4.6	5.1	25.8	(5.3)	6.6	(1.1)	3.3	5.5	(16.8)	7.5
Share of state tax - TRIF	18.4	(20.0)	21.1	8.1	(1.5)	6.3	3.9	0.8	17.1	(4.5)
Financial aid grants	12.9	7.9	1.2	6.2	11.0	10.3	18.7	3.5	7.9	7.7
Grants and contracts	20.9	(49.1)	(32.3)	430.3	24.9	(2.1)	4.3	(0.9)	15.7	36.7
Private gifts	12.1	27.2	0.3	(0.6)	(7.2)	9.2	2.0	(25.4)	72.8	(11.2)
Financial aid trust funds (1)	n/a	n/a	n/a	n/a	n/a	n/a	(100.0)	8.0	8.9	9.9
Net investment return (loss)	109.4	(202.3)	(177.6)	69.4	(26.1)	374.3	(44.5)	145.6	82.8	(74.7)
Interest on debt	7.6	10.4	12.2	3.8	3.0	2.4	(10.5)	15.3	12.2	1.4
Other expenses	(415.9)	(165.2)	(57.1)	3.7	(28.5)	160.1	12.9	(52.6)	63.4	1.8
Net Nonoperating Revenues	15.3	5.3	(16.9)	50.8	5.6	9.3	3.5	1.5	(0.1)	4.1
Income (loss) before other revenues, expenses, gains, or losses	58.5	(42.0)	(11.2)	(471.4)	(233.8)	2.7	(48.4)	(18.5)	29.1	(13.0)
Capital appropriations	(67.0)	208.8	0.6	0.9	0.9	88.5	20.5	(2.0)	(23.9)	3.7
Capital commitment	(47.5)	(50.1)	232.7	(5.1)	0.1	(0.1)	(38.1)	61.7	86.2	87.4
Capital grants	2,888.5	(92.4)	(61.3)	1,035.0	1,779.0	(43.1)	(65.9)	n/a	(99.4)	(82.3)
Capital private gifts	30.2	(83.6)	694.4	(79.1)	13.8	157.0	(8.9)	29.5	(30.5)	(14.5)
Additions to permanent endowments	(16.7)	(77.8)	(98.0)	692.9	(60.1)	1,152.9	161.5	(99.2)	(24.5)	131.1
Gain on the sale of real property	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Increase (Decrease) in Net Position	2.2	(22.2)	(1.6)	3,614.6	(92.2)	35.4	(36.5)	(8.4)	17.6	(10.7)

(1) Balances prior to FY 2018 presented Financial Aid Trust funds as a nonoperating revenue source. In FY 2018 Financial Aid Trust fund activities were included in student tuition and fees, net and state appropriations.

Operating Expenses by Natural Classification

Operating Expenses by Natural Classification										
Fiscal year ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
(Dollars in thousands)										
Personal services [2]	$ 1,579,319	$ 1,420,014	$ 1,265,232	$ 1,192,165	$ 1,166,804	$ 1,090,068	$1,019,332	$ 949,189	$ 888,936	$ 830,440
Benefits [2]	496,261	460,506	389,209	386,644	380,162	357,601	343,363	309,033	298,199	285,991
Pensions and OPEB [1]	15,274	17,821	27,242	65,410	55,906	(5,016)	355	33,458	29,605	4,069
Personal services and benefits	2,090,854	1,898,341	1,681,683	1,644,219	1,602,872	1,442,653	1,363,050	1,291,680	1,216,740	1,120,500
Supplies and services	1,137,111	1,118,814	983,722	939,113	844,147	807,791	742,539	663,216	601,218	576,345
Student aid, net scholarship allowance	328,277	290,776	293,349	300,202	292,914	247,194	211,811	187,124	170,174	150,346
Depreciation	231,719	220,984	201,287	152,440	143,587	137,064	132,814	123,705	116,381	114,617
Total Operating Expenses by Natural Classification	**$ 3,787,961**	**$ 3,528,915**	**$ 3,160,041**	**$ 3,035,974**	**$ 2,883,520**	**$ 2,634,702**	**$2,450,214**	**$2,265,725**	**$2,104,513**	**$1,961,808**
Expressed as a percent of the total										
	%	%	%	%	%	%	%	%	%	%
Personal services [2]	41.7	40.3	40.0	39.3	40.5	41.4	41.7	41.9	42.2	42.3
Benefits [2]	13.1	13.0	12.3	12.7	13.2	13.6	14.0	13.6	14.2	14.6
Pensions and OPEB [1]	0.4	0.5	0.9	2.2	1.9	(0.2)	0.0	1.5	1.4	0.2
Personal services and benefits	55.2	53.8	53.2	54.2	55.6	54.8	55.6	57.0	57.8	57.1
Supplies and services	30.0	31.7	31.1	30.9	29.2	30.6	30.3	29.2	28.6	29.4
Student aid, net scholarship allowance	8.7	8.2	9.3	9.9	10.2	9.4	8.7	8.3	8.1	7.7
Depreciation	6.1	6.3	6.4	5.0	5.0	5.2	5.4	5.5	5.5	5.8
Total Operating Expenses by Natural Classification	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Percentage increase/(decrease) from prior year										
	%	%	%	%	%	%	%	%	%	%
Personal services [2]	11.2	12.2	6.1	2.2	7.0	6.9	7.4	6.8	7.0	9.0
Benefits [2]	7.8	18.3	0.7	1.7	6.3	4.1	11.1	3.6	4.3	6.7
Pensions and OPEB [1]	(14.3)	(34.6)	(58.4)	17.0	1,214.6	(1,513.0)	(98.9)	13.0	627.6	
Personal services and benefits	10.1	12.9	2.3	2.6	11.1	5.8	5.5	6.2	8.6	8.8
Supplies and services	1.6	13.7	4.8	11.2	4.5	8.8	12.0	10.3	4.3	12.1
Student aid, net scholarship allowance	12.9	(0.9)	(2.3)	2.5	18.5	16.7	11.8	10.0	13.2	7.1
Depreciation	4.9	9.8	32.0	6.2	4.8	3.2	7.4	6.3	1.5	2.1
Total Operating Expenses by Natural Classification	**7.3**	**11.7**	**4.1**	**5.3**	**9.4**	**7.5**	**8.0**	**7.7**	**7.3**	**9.2**
Scholarship allowance	$ 648,442	$ 625,165	$ 608,241	$ 550,959	$ 485,621	$ 422,858	$ 389,890	$ 349,989	$ 313,064	$ 269,503

[1] Implementations of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, GASB Statement No. 75, *Other Postemployment Benefits* and GASB Statement No. 68, *Pensions*, resulted in recognition of benefit-related operating expenses each year. The impact of these implementations has been presented separately for comparability purposes.
[2] Balances prior to FY 2024 have not been adjusted for the implementation of GASB Statement No. 101, *Compensated Absences.*

Combined Sources and Uses *(Dollars in millions)*										
Fiscal Year Ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Sources										
Student Tuition and Fees, net	$ 2,028.3	$ 1,889.4	$ 1,689.8	$ 1,598.2	$ 1,550.6	$ 1,423.1	$ 1,323.3	$ 1,250.8	$ 1,157.5	$ 1,021.0
Gross Tuition and Fees	*2,655.8*	*2,492.8*	*2,276.3*	*2,134.3*	*2,013.3*	*1,825.6*	*1,697.4*	*1,585.4*	*1,453.8*	*1,278.0*
Scholarship Allowance	*627.5*	*603.4*	*586.5*	*536.1*	*462.7*	*402.5*	*374.1*	*334.6*	*296.3*	*257.0*
State Appropriation	450.3	485.3	411.5	332.2	348.9	328.8	320.3	308.1	292.8	353.0
Capital Appropriation	*26.5*	*80.2*	*26.0*	*25.8*	*25.6*	*25.4*	*13.5*	*11.2*	*11.4*	*15.0*
Grants and Contracts	690.2	603.5	678.8	757.4	423.2	401.5	372.3	328.3	309.9	286.7
Federally Funded	*484.2*	*413.4*	*593.6*	*489.1*	*301.1*	*304.5*	*262.0*	*238.3*	*242.3*	*229.9*
Financial Aid Grants	244.7	216.7	200.8	198.4	186.8	168.2	152.5	128.5	124.2	115.1
Federally Funded	*243.9*	*216.3*	*200.5*	*198.1*	*186.5*	*167.9*	*152.2*	*128.2*	*123.9*	*114.8*
Auxiliary Enterprises, net	250.4	253.9	243.6	124.1	170.2	183.5	166.1	161.8	149.7	145.0
Private and Capital Gifts	115.2	102.0	104.9	79.9	93.8	97.7	81.6	80.7	106.2	66.8
Capital Gifts	*6.0*	*4.6*	*28.3*	*3.6*	*17.0*	*15.0*	*5.8*	*6.4*	*4.9*	*7.1*
Sales and Services	108.2	108.1	104.0	93.3	72.5	78.5	94.1	81.5	69.5	67.2
Technology and Research Initiatives Funds (TRIF)	42.2	35.7	44.6	36.8	34.1	34.6	32.5	31.3	31.1	26.5
Other Sources	157.7	108.3	9.2	148.0	91.5	89.9	41.1	70.8	48.1	35.9
Total Sources	**$ 4,087.2**	**$ 3,802.9**	**$ 3,487.2**	**$ 3,368.3**	**$ 2,971.6**	**$ 2,805.8**	**$ 2,583.8**	**$ 2,441.8**	**$ 2,289.0**	**$ 2,117.2**
Uses										
Instruction	$ 1,249.9	$ 1,208.3	$ 1,076.5	$ 1,053.7	$ 1,016.7	$ 961.6	$ 881.7	$ 810.6	$ 749.7	$ 686.4
Organized Research	497.9	456.1	414.3	384.4	360.0	323.6	297.5	267.3	261.1	244.8
Public Service	65.2	51.5	47.8	100.9	38.4	36.1	37.5	35.4	36.8	36.2
Academic Support	529.6	458.7	396.3	392.8	371.4	304.6	299.2	294.7	265.5	247.7
Student Services	232.2	219.0	176.7	159.4	166.1	151.2	136.1	123.4	111.0	98.4
Institutional Support	249.4	236.5	212.3	201.5	189.0	171.0	159.1	152.2	155.2	151.6
Operation and Maintenance of Plant	166.7	141.9	116.1	105.8	113.6	122.6	119.4	116.5	108.4	102.2
Scholarships and Fellowships	328.3	290.7	293.3	300.2	292.9	247.2	211.8	187.1	152.8	136.7
Auxiliary Enterprises	237.1	245.2	225.5	184.8	191.9	179.6	175.1	154.8	147.6	143.2
Depreciation	231.7	221.0	201.3	152.5	143.6	137.1	132.8	123.7	116.4	114.6
Academic and Research Buildings	*125.7*	*120.0*	*112.9*	*100.0*	*93.8*	*84.9*	*80.6*	*73.8*	*69.4*	*67.6*
Other Expenses	105.1	84.1	83.2	84.4	81.3	85.8	70.5	76.7	76.0	63.2
Total Uses	**$ 3,893.1**	**$ 3,613.0**	**$ 3,243.3**	**$ 3,120.4**	**$ 2,964.9**	**$ 2,720.4**	**$ 2,520.7**	**$ 2,342.4**	**$ 2,180.5**	**$ 2,025.0**

Principal Revenue Sources *(Dollars in thousands)*										
Fiscal year ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Tuition and Fees, net of scholarship allowance	**$ 2,028,283**	**$ 1,889,421**	**$ 1,689,832**	**$ 1,598,180**	**$ 1,550,581**	**$1,423,052**	**$1,323,268**	**$1,250,828**	**$1,157,535**	**$1,021,014**
percent of total revenue	50%	50%	48%	47%	52%	51%	51%	51%	51%	48%
percent increase from prior year	7%	12%	6%	3%	9%	8%	6%	8%	13%	14%
State of Arizona Government										
State appropriations	$ 423,778	$ 405,040	$ 385,527	$ 306,346	$ 323,332	$ 303,370	$ 306,778	$ 296,913	$ 281,385	$ 338,042
Technology and research initiative fund	42,221	35,663	44,600	36,833	34,075	34,604	32,540	31,326	31,075	26,526
Capital appropriations and capital commitments	34,395	89,174	34,910	34,894	35,159	34,938	24,434	20,731	20,959	20,121
State grants and contracts	47,793	29,751	38,028	132,062	9,675	14,529	11,640	12,328	8,536	6,848
Financial aid trust fund				5,986	5,986	5,986	5,989	5,899	5,724	5,483
Capital grants	45		152	195						
State of Arizona Government	**$ 548,232**	**$ 559,628**	**$ 503,217**	**$ 516,316**	**$ 408,227**	**$ 393,427**	**$ 381,381**	**$ 367,197**	**$ 347,679**	**$ 397,020**
percent of total revenue	13%	15%	14%	15%	14%	14%	15%	15%	15%	19%
percent increase (decrease) from prior year	(2%)	11%	(3%)	26%	4%	3%	4%	6%	(12%)	8%
Federal Government										
Federal grants and contracts	$ 484,250	$ 413,391	$ 529,468	$ 489,070	$ 316,277	$ 304,503	$ 262,007	$ 238,293	$ 242,299	$ 229,925
Financial aid grants	244,298	216,322	200,504	198,120	186,504	167,931	152,238	128,207	123,945	114,816
Capital grants	11,433	299	4,968	12,630						
Federal Government	**$ 739,981**	**$ 630,012**	**$ 734,940**	**$ 699,820**	**$ 502,781**	**$ 472,434**	**$ 414,245**	**$ 366,500**	**$ 366,244**	**$ 344,741**
percent of total revenue	18%	17%	21%	21%	17%	17%	16%	15%	16%	16%
percent increase (decrease) from prior year	17%	(14%)	5%	39%	6%	14%	13%	0%	6%	(3%)
Total from principal revenue sources	**$ 3,316,496**	**$ 3,079,061**	**$ 2,927,989**	**$ 2,814,316**	**$ 2,461,589**	**$2,288,913**	**$2,118,894**	**$1,984,525**	**$1,871,458**	**$1,762,775**
percent of total revenue	81%	81%	84%	84%	83%	82%	82%	81%	82%	83%
percent increase from prior year	8%	5%	4%	14%	8%	8%	7%	6%	6%	9%

Academic Year Tuition and Required Fees										
Fiscal year ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
RESIDENT UNDERGRADUATE										
Arizona State University [1]	$12,051	$11,618	$11,348	$11,338	$11,338	$10,822	$10,792	$10,640	$10,478	$10,127
percent increase from prior year	3.7%	2.4%	0.1%	0.0%	4.8%	0.3%	1.4%	1.5%	3.5%	2.7%
PAC-12 Public Average	$13,403	$12,706	$12,436	$12,237	$12,081	$11,821	$11,680	$11,175	$11,173	$10,972
percent increase from prior year	5.5%	2.2%	1.6%	1.3%	2.2%	1.2%	4.5%	0.0%	1.8%	2.3%
ABOR Peers Average	$14,171	$13,731	$13,171	$12,865	$12,942	$12,671	$12,481	$12,166	$12,005	$11,871
percent increase from prior year	3.2%	4.3%	2.4%	(0.6)%	2.1%	1.5%	2.6%	1.3%	1.1%	1.7%
NON-RESIDENT UNDERGRADUATE										
Arizona State University [1]	$32,193	$30,592	$29,438	$29,428	$29,428	$28,336	$27,372	$26,470	$25,458	$24,503
percent increase from prior year	5.2%	3.9%	0.0%	0.0%	3.9%	3.5%	3.4%	4.0%	3.9%	3.6%
PAC-12 Public Average	$38,738	$37,384	$36,375	$35,729	$35,344	$34,599	$33,962	$32,937	$31,810	$30,469
percent increase from prior year	3.6%	2.8%	1.8%	1.1%	2.2%	1.9%	3.1%	3.5%	4.4%	3.5%
ABOR Peers Average	$38,835	$37,655	$36,042	$35,309	$35,567	$34,527	$33,421	$32,159	$31,061	$30,003
percent increase from prior year	3.1%	4.5%	2.1%	(0.7)%	3.0%	3.3%	3.9%	3.5%	3.5%	2.9%
RESIDENT GRADUATE										
Arizona State University	$13,389	$12,914	$12,608	$12,608	$12,608	$12,134	$11,938	$11,776	$11,624	$11,303
percent increase from prior year	3.7%	2.4%	0.0%	0.0%	3.9%	1.6%	1.4%	1.3%	2.8%	4.5%
PAC-12 Public Average	$15,279	$14,818	$14,201	$13,978	$14,088	$13,544	$13,383	$13,086	$12,937	$12,676
percent increase from prior year	3.1%	4.3%	1.6%	(0.8)%	4.0%	1.2%	2.3%	1.2%	2.1%	2.4%
ABOR Peers Average	$17,045	$16,525	$16,063	$15,643	$15,729	$15,212	$14,886	$14,540	$14,225	$13,955
percent increase from prior year	3.1%	2.9%	2.7%	(0.5)%	3.4%	2.2%	2.4%	2.2%	1.9%	2.6%
NON-RESIDENT GRADUATE										
Arizona State University	$33,556	$33,556	$32,288	$32,288	$32,288	$30,926	$29,874	$28,882	$27,780	$26,736
percent increase from prior year	0.0%	3.9%	0.0%	0.0%	4.4%	3.5%	3.4%	4.0%	3.9%	3.6%
PAC-12 Public Average	$31,652	$30,879	$29,977	$29,391	$29,635	$28,610	$28,097	$27,491	$26,912	$26,281
percent increase from prior year	2.5%	3.0%	2.0%	(0.8)%	3.6%	1.8%	2.2%	2.2%	2.4%	2.7%
ABOR Peers Average	$34,285	$33,233	$32,446	$31,396	$31,804	$30,874	$30,184	$29,367	$28,693	$27,958
percent increase from prior year	3.2%	2.4%	3.3%	(1.3)%	3.0%	2.3%	2.8%	2.4%	2.6%	2.8%

Sources: Integrated Postsecondary Education Data System (IPEDS), Arizona State University Fact Book, and Office of Institutional Analysis

[1] For FY 2020, class fees, technology fees and tuition surcharges were eliminated for undergraduate students and were replaced with undergraduate college fees.

ASU's tuition rates are approved by the Arizona Board of Regents (ABOR).

PAC-12 Public Average and ABOR Peers Average comparisons do not include ASU. PAC-12 Public Average calculations include only public institutions.

Note: Data is not finalized per IPEDS.

Summary of Composite Financial Index Ratios[1]										
Fiscal year ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
COMPOSITE FINANCIAL INDEX										
+ Primary Reserve Ratio	**0.45**	**0.45**	**0.43**	**0.35**	**0.24**	**0.28**	**0.25**	**0.32**	**0.29**	**0.27**
/ Strength Factor	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133
= Ratio / Strength Factor	3.38	3.38	3.23	2.63	1.80	2.08	1.89	2.41	2.18	2.03
* Weighting Factor	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
= Ratio Subtotal	1.18	1.18	1.13	0.92	0.63	0.73	0.66	0.84	0.76	0.71
+ Return on Net Position/Net Assets	**8.8%**	**9.8%**	**13.4%**	**19.8%**	**2.1%**	**11.6%**	**6.3%**	**9.2%**	**5.8%**	**10.3%**
/ Strength Factor	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
= Ratio / Strength Factor	4.39	4.90	6.70	9.90	1.06	5.81	3.15	4.60	2.90	5.15
* Weighting Factor	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
= Ratio Subtotal	0.88	0.98	1.34	1.98	0.21	1.16	0.63	0.92	0.58	1.03
+ Net Operating Revenues Ratio	**3.8%**	**2.6%**	**6.6%**	**6.5%**	**(1.3)%**	**3.3%**	**0.9%**	**4.1%**	**2.0%**	**3.4%**
/ Strength Factor	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%
= Ratio / Strength Factor	2.92	2.01	5.10	5.00	(1.00)	2.51	0.69	3.15	1.54	2.62
* Weighting Factor	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
= Ratio Subtotal	0.29	0.20	0.51	0.50	(0.10)	0.25	0.07	0.32	0.15	0.26
+ Viability Ratio	**0.67**	**0.67**	**0.59**	**0.47**	**0.33**	**0.37**	**0.33**	**0.39**	**0.34**	**0.31**
/ Strength Factor	0.417	0.417	0.417	0.417	0.417	0.417	0.417	0.417	0.417	0.417
= Ratio / Strength Factor	1.62	1.61	1.41	1.13	0.79	0.88	0.73	0.94	0.82	0.74
* Weighting Factor	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
= Ratio Subtotal	0.57	0.56	0.50	0.39	0.28	0.31	0.26	0.33	0.29	0.26
Composite Financial Index	**2.92**	**2.92**	**3.48**	**3.79**	**1.02**	**2.45**	**1.62**	**2.41**	**1.78**	**2.26**

The Composite Financial Index (CFI) provides a methodology for a single overall financial measurement of the institution's health based on the four core ratios. The CFI uses a reasonable weighting plan and allows a weakness or strength in a specific ratio to be offset by another ratio result, which provides a more balanced measure. The CFI provides a more holistic approach to understanding the financial health of the institution. The CFI scores are not intended to be precise measures; they are indicators of ranges of financial health that can be indicators of overall institutional well-being when combined with non-financial indicators.

Composite Financial Index calculation includes component unit information. Detail of ratio calculations are on the following pages.

[1] Balances prior to FY 2016 have not been adjusted for the implementation of GASB Statement No. 72, *Fair Value Measurement and Application.* Balances prior to FY 2018 have not been adjusted for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other then Pensions,* as amended by GASB Statement No. 85, *Omnibus 2017.* Balances prior to FY 2022 have not been adjusted for the implementation of GASB Statement No. 87, *Leases*. Balances prior to FY 2023 have not been adjusted for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Balances prior to FY 2024 have not been adjusted for the implementation of GASB Statement No. 101, *Compensated Absences.*

Detail of Composite Financial Index Ratios[1] *(Dollars in thousands)*										
Fiscal Year Ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017[2]**	**2016**	**2015**
PRIMARY RESERVE RATIO										
Unrestricted Net Position	$ 626,157	$ 579,506	$ 437,294	$ 235,307	$ 104,279	$ 166,899	$ 115,542	$ 282,765	$ 253,728	$ 161,623
Without Donor Restrictions - Unrestricted Net Assets - Component Units	332,122	303,248	286,211	187,364	123,335	119,675	44,688	54,955	(2,912)	29,112
Expendable Restricted Net Position	216,436	209,011	203,211	175,937	127,614	118,626	119,410	124,703	117,977	109,664
With Donor Restrictions - Temporarily Restricted Net Assets - Component Units	777,373	714,347	610,393	592,746	427,888	421,912	408,384	363,620	341,524	323,456
Expendable Net Position/ Net Assets	**$ 1,952,088**	**$ 1,806,112**	**$ 1,537,109**	**$ 1,191,354**	**$ 783,116**	**$ 827,112**	**$ 688,024**	**$ 826,043**	**$ 710,317**	**$ 623,855**
Operating Expenses	$ 3,787,961	$ 3,528,915	$ 3,160,041	$ 3,035,974	$ 2,883,520	$ 2,634,702	$2,450,214	$2,265,725	$2,104,513	$1,961,808
Nonoperating Expenses	90,472	84,048	83,224	84,411	81,324	85,754	70,493	76,745	76,011	63,242
Component Unit Total Expenses	452,295	403,737	350,770	323,676	303,974	283,224	252,963	228,083	280,389	266,791
Total Expenses	**$ 4,330,728**	**$ 4,016,700**	**$ 3,594,035**	**$ 3,444,061**	**$ 3,268,818**	**$ 3,003,680**	**$2,773,670**	**$2,570,553**	**$2,460,913**	**$2,291,841**
Expendable Net Position/ Net Assets	$ 1,952,088	$ 1,806,112	$ 1,537,109	$ 1,191,354	$ 783,116	$ 827,112	$ 688,024	$ 826,043	$ 710,317	$ 623,855
Total Expenses	$ 4,330,728	$ 4,016,700	$ 3,594,035	$ 3,444,061	$ 3,268,818	$ 3,003,680	$2,773,670	$2,570,553	$2,460,913	$2,291,841
Ratio	**0.45**	**0.45**	**0.43**	**0.35**	**0.24**	**0.28**	**0.25**	**0.32**	**0.29**	**0.27**
Measures the financial strength of the institution by indicating how long the institution could function using its expendable reserves to cover operations should additional net position not be available. A positive ratio and an increase in the ratio over time denotes strength.										
RETURN ON NET POSITION/NET ASSETS RATIO										
Change in Total Net Position/ Net Assets	$ 336,114	$ 341,498	$ 408,159	$ 497,548	$ 52,103	$ 256,838	$ 131,399	$ 185,017	$ 109,055	$ 170,423
Total Net Position/Net Assets (Beginning of Year)	$ 3,823,749	$ 3,482,251	$ 3,053,146	$ 2,516,921	$ 2,464,818	$2,207,980	$2,076,581	$2,018,485	$1,884,777	$1,656,504
Ratio	**8.8%**	**9.8%**	**13.4%**	**19.8%**	**2.1%**	**11.6%**	**6.3%**	**9.2%**	**5.8%**	**10.3%**
Return on Net Position/Net Assets Ratio calculation includes component unit information.										
Measures total economic return. While an increasing trend reflects strength, a decline may be appropriate and even warranted if it represents a strategy on the part of the institution to fulfill its mission.										

[1] Balances prior to FY 2016 have not been adjusted for the implementation of GASB Statement No. 72, *Fair Value Measurement and Application*. Balances prior to FY 2018 have not been adjusted for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other then Pensions,* as amended by GASB Statement No. 85, *Omnibus 2017*. Balances prior to FY 2022 have not been adjusted for the implementation of GASB Statement No. 87, *Leases*. Balances prior to FY 2023 have not been adjusted for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Balances prior to FY 2024 have not been adjusted for the implementation of GASB Statement No. 101, *Compensated Absences*.

[2] The FY 2017 Return on Net Position/Net Assets ratio has been restated to adjust for the impact of the ASUEP restructure transfer.

Detail of Composite Financial Index Ratios[1] *(Dollars in thousands)*

Fiscal Year Ended June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
NET OPERATING REVENUES RATIO										
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	$ 141,981	$ 89,601	$ 154,402	$ 173,972	$ (46,841)	$ 35,016	$ 34,090	$ 66,039	$ 81,031	$ 62,766
Component Units Change in Unrestricted Net Assets Before Extraordinary or Special Items	29,677	18,119	99,825	64,616	3,837	65,965	(9,501)	44,861	(32,024)	17,131
Adjusted Income (Loss) Before Other Revenues, Expenses, Gains or Losses and Component Units Change in Unrestricted Net Assets Before Extraordinary or Special Items	**$ 171,658**	**$ 107,720**	**$ 254,227**	**$ 238,588**	**$ (43,004)**	**$ 100,981**	**$ 24,589**	**$ 110,900**	**$ 49,007**	**$ 79,897**
Total Operating Revenues	$ 2,930,903	$ 2,752,088	$ 2,491,964	$ 2,220,786	$ 2,180,596	$ 2,048,569	$ 1,915,786	$ 1,782,224	$ 1,644,337	$ 1,482,742
State Appropriations and State Related Revenues	465,999	440,703	430,127	343,179	357,407	337,974	339,318	328,239	312,460	364,568
Non-capital Gifts and Grants, net	512,061	444,926	534,414	654,584	335,244	308,326	286,915	258,989	280,543	221,758
Financial aid trust								16,019	14,833	13,615
Investment Income (Loss), net	126,086	60,214	(58,838)	75,808	44,756	60,603	12,778	23,038	9,382	5,133
Component Units Total Unrestricted Revenue	481,972	421,856	450,594	388,292	307,811	349,189	243,462	272,944	248,365	283,922
Adjusted Net Operating Revenue	**$ 4,517,021**	**$ 4,119,787**	**$ 3,848,261**	**$ 3,682,649**	**$ 3,225,814**	**$ 3,104,661**	**$ 2,798,259**	**$ 2,681,453**	**$ 2,509,920**	**$ 2,371,738**
Adjusted Income (Loss) Before Other Revenues, Expenses, Gains or Losses and Component Units Change in Unrestricted Net Assets Before Extraordinary or Special Items	$ 171,658	$ 107,720	$ 254,227	$ 238,588	$ (43,004)	$ 100,981	$ 24,589	$ 110,900	$ 49,007	$ 79,897
Adjusted Net Operating Revenue	$ 4,517,021	$ 4,119,787	$ 3,848,261	$ 3,682,649	$ 3,225,814	$ 3,104,661	$ 2,798,259	$ 2,681,453	$ 2,509,920	$ 2,371,738
Ratio	**3.8%**	**2.6%**	**6.6%**	**6.5%**	**(1.3)%**	**3.3%**	**0.9%**	**4.1%**	**2.0%**	**3.4%**
Measures whether the institution is living within available resources. A positive ratio and an increase in the ratio over time, generally reflects strength; a decline may be appropriate and even warranted if it represents a strategy on the part of the institution to fulfill its mission.										
VIABILITY RATIO										
Unrestricted Net Position	$ 626,157	$ 579,506	$ 437,294	$ 235,307	$ 104,279	$ 166,899	$ 115,542	$ 282,765	$ 253,728	$ 161,623
Without Donor Restrictions - Unrestricted Net Assets - Component Units	332,122	303,248	286,211	187,364	123,335	119,675	44,688	54,955	(2,912)	29,112
Expendable Restricted Net Position	216,436	209,011	203,211	175,937	127,614	118,626	119,410	124,703	117,977	109,664
With Donor Restrictions - Temporarily Restricted Net Assets - Component Units	777,373	714,347	610,393	592,746	427,888	421,912	408,384	363,620	341,524	323,456
Expendable Net Position/Net Assets	**$ 1,952,088**	**$ 1,806,112**	**$ 1,537,109**	**$ 1,191,354**	**$ 783,116**	**$ 827,112**	**$ 688,024**	**$ 826,043**	**$ 710,317**	**$ 623,855**
University Long-Term Debt, net financed purchases with Component Units	$ 2,679,439	$ 2,425,148	$ 2,322,303	$ 2,241,062	$ 2,071,885	$ 1,928,622	$ 1,768,827	$ 1,771,961	$ 1,573,804	$ 1,511,891
Component Unit Long-Term Debt	219,719	258,114	280,940	298,250	316,614	333,784	347,987	340,602	499,844	514,409
Total Adjusted University Debt	**$ 2,899,158**	**$ 2,683,262**	**$ 2,603,243**	**$ 2,539,312**	**$ 2,388,499**	**$ 2,262,406**	**$ 2,116,814**	**$ 2,112,563**	**$ 2,073,648**	**$ 2,026,300**
Expendable Net Position/Net Assets	$ 1,952,088	$ 1,806,112	$ 1,537,109	$ 1,191,354	$ 783,116	$ 827,112	$ 688,024	$ 826,043	$ 710,317	$ 623,855
Total Adjusted University Debt	$ 2,899,158	$ 2,683,262	$ 2,603,243	$ 2,539,312	$ 2,388,499	$ 2,262,406	$ 2,116,814	$ 2,112,563	$ 2,073,648	$ 2,026,300
Ratio	0.67	0.67	0.59	0.47	0.33	0.37	0.33	0.39	0.34	0.31
Measures the ability of the institution to cover its debt as of the statement of net position date, should the institution need to do so.										

[1] Balances prior to FY 2016 have not been adjusted for the implementation of GASB Statement No. 72, *Fair Value Measurement and Application*. Balances prior to FY 2018 have not been adjusted for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other then Pensions,* as amended by GASB Statement No. 85, *Omnibus 2017.* Balances prior to FY 2022 have not been adjusted for the implementation of GASB Statement No. 87, *Leases.* Balances prior to FY 2023 have not been adjusted for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Balances prior to FY 2024 have not been adjusted for the implementation of GASB Statement No. 101, *Compensated Absences.*

Summary of Ratios[1] *(Dollars in thousands)*

Fiscal Year Ended June 30,	2024	2023 (as restated)	2022 (as restated)	2021	2020	2019	2018	2017	2016	2015
EXPENDABLE RESOURCES TO DEBT										
Unrestricted Net Position [3]	$ 626,157	$ 579,506	$ 437,294	$ 235,307	$ 104,279	$ 166,899	$ 115,542	$ 282,765	$ 253,728	$ 161,623
Expendable Restricted Net Position	216,436	209,011	203,211	175,937	127,614	118,626	119,410	124,703	117,977	109,664
Expendable Net Position	**$ 842,593**	**$ 788,517**	**$ 640,505**	**$ 411,244**	**$ 231,893**	**$ 285,525**	**$ 234,952**	**$ 407,468**	**$ 371,705**	**$ 271,287**
Expendable Net Position	$ 842,593	$ 788,517	$ 640,505	$ 411,244	$ 231,893	$ 285,525	$ 234,952	$ 407,468	$ 371,705	$ 271,287
Total Bonds, COPS, and Financed Purchases	$2,700,563	$2,467,928	$2,365,500	$2,305,450	$2,135,450	$2,001,032	$1,849,386	$1,850,754	$1,649,317	$1,595,817
Ratio	**0.3**	**0.3**	**0.3**	**0.2**	**0.1**	**0.1**	**0.1**	**0.2**	**0.2**	**0.2**
Measures the ability of the institution to cover its debt using expendable resources as of the balance sheet date, should the institution need to do so.										
TOTAL FINANCIAL RESOURCES TO DIRECT DEBT										
Unrestricted Net Position [3]	$ 626,157	$ 579,506	$ 437,294	$ 235,307	$ 104,279	$ 166,899	$ 115,542	$ 282,765	$ 253,728	$ 161,623
Expendable Restricted Net Position	216,436	209,011	203,211	175,937	127,614	118,626	119,410	124,703	117,977	109,664
Nonexpendable Restricted Net Position	114,261	109,039	104,729	91,623	87,497	84,714	78,813	74,102	70,544	64,833
Total Financial Resources	**$ 956,854**	**$ 897,556**	**$ 745,234**	**$ 502,867**	**$ 319,390**	**$ 370,239**	**$ 313,765**	**$ 481,570**	**$ 442,249**	**$ 336,120**
Total Financial Resources	$ 956,854	$ 897,556	$ 745,234	$ 502,867	$ 319,390	$ 370,239	$ 313,765	$ 481,570	$ 442,249	$ 336,120
Total Bonds, COPS, and Financed Purchases	$2,700,563	$2,467,928	$2,365,500	$2,305,450	$2,135,450	$2,001,032	$1,849,386	$1,850,754	$1,649,317	$1,595,817
Ratio	**0.4**	**0.4**	**0.3**	**0.2**	**0.2**	**0.2**	**0.2**	**0.3**	**0.3**	**0.2**
A broader measure of the ability of the institution to cover its debt as of the balance sheet date, should the institution need to do so.										
DIRECT DEBT TO ADJUSTED CASH FLOW										
Net Cash Used for Operating Activities	$(655,833)	$(511,762)	$(555,787)	$(536,209)	$(465,853)	$(439,627)	$ (384,847)	$ (320,901)	$ (315,803)	$ (367,867)
State Appropriations, Federal Stabilization Funds, and CARES Act Reimbursements	423,778	405,040	385,527	306,346	323,332	303,370	306,778	296,913	281,385	338,042
Share of State Sales Tax - TRIF	42,221	35,663	44,600	36,833	34,075	34,604	32,540	31,326	31,075	26,526
Non-capital Grants and Contracts, Gifts, Other [3]	512,061	444,926	534,414	654,584	335,244	308,326	286,915	275,008	295,376	235,373
Adjusted Cash Flow from Operations	**$ 322,227**	**$ 373,867**	**$ 408,754**	**$ 461,554**	**$ 226,798**	**$ 206,673**	**$ 241,386**	**$ 282,346**	**$ 292,033**	**$ 232,074**
Total Bonds, COPS, and Financed Purchases	$2,700,563	$2,467,928	$2,365,500	$2,305,450	$2,135,450	$2,001,032	$1,849,386	$1,850,754	$1,649,317	$1,595,817
Adjusted Cash Flow from Operations	$ 322,227	$ 373,867	$ 408,754	$ 461,554	$ 226,798	$ 206,673	$ 241,386	$ 282,346	$ 292,033	$ 232,074
Ratio	**8.4**	**6.6**	**5.8**	**5.0**	**9.4**	**9.7**	**7.7**	**6.6**	**5.6**	**6.9**
[1] Includes financial aid grants, grants and contracts, private gifts, and financial aid trust funds.										
Measures the financial strength of the institution by indicating how long (in years) the institution would take to repay the debt using the cash provided by its operations. A decreasing ratio over time denotes strength.										
DEBT SERVICE TO OPERATIONS										
Interest Paid on Long-Term Debt	$ 78,521	$ 76,183	$ 71,376	$ 67,838	$ 65,342	$ 63,413	$ 61,903	$ 69,135	$ 59,972	$ 53,428
Principal Paid on Long-Term Debt [1]	321,880	83,243	77,983	166,497	70,261	62,161	252,076	62,596	99,285	305,910
Principal Paid from Refinancing Activities [2]	(214,440)			(91,570)			(196,830)	(1,153)	(39,415)	(243,340)
Debt Service	**$ 185,961**	**$ 159,426**	**$ 149,359**	**$ 142,765**	**$ 135,603**	**$ 125,574**	**$ 117,149**	**$ 130,578**	**$ 119,842**	**$ 115,998**
Debt Service	$ 185,961	$ 159,426	$ 149,359	$ 142,765	$ 135,603	$ 125,574	$ 117,149	$ 130,578	$ 119,842	$ 115,998
Operating Expenses [3]	$3,787,961	$3,528,915	$3,160,041	$3,035,974	$2,883,520	$2,634,702	$2,450,214	$2,265,725	$2,104,513	$1,961,808
Ratio	**4.9%**	**4.5%**	**4.7%**	**4.7%**	**4.7%**	**4.8%**	**4.8%**	**5.8%**	**5.7%**	**5.9%**
[1] Obtained from "Bonds Payable, Certificates of Participation and Financed Purchases" disclosures included in the applicable fiscal year's audited Notes to Financial Statements.										
[2] Obtained amount from refunding bonds official statements.										
Measures the institution's dependence on borrowed funds as a source of financing its mission and the relative cost of borrowing to overall expenditures. The ratio measures the relative cost of debt to overall expenses and a declining trend is generally desirable, however the ratio can increase during times of specific funding activity to support the institution's strategic mission.										

[3] Balances prior to FY 2016 have not been adjusted for the implementation of GASB Statement No. 72, *Fair Value Measurement and Application.* Balances prior to FY 2018 have not been adjusted for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other then Pensions,* as amended by GASB Statement No. 85, *Omnibus 2017.* Balances prior to FY 2022 have not been adjusted for the implementation of GASB Statement No. 87, *Leases*. Balances prior to FY 2023 have not been adjusted for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Balances prior to FY 2024 have not been adjusted for the implementation of GASB Statement No. 101, *Compensated Absences.*

Summary of Ratios *(Dollars in thousands)*										
Fiscal Year Ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
RESEARCH EXPENSES TO TOTAL OPERATING EXPENSES										
Operating Expenses [1]	$ 3,787,961	$ 3,528,915	$ 3,160,041	$ 3,035,974	$ 2,883,520	$ 2,634,702	$ 2,450,214	$ 2,265,725	$ 2,104,513	$ 1,961,808
Scholarships and Fellowships	(328,277)	(290,776)	(293,349)	(300,202)	(292,914)	(247,194)	(211,811)	(187,124)	(152,802)	(136,675)
Interest on Debt	90,472	84,048	76,122	67,838	65,342	63,413	61,903	69,135	59,972	53,428
Total Adjusted Operating Expenses	**$ 3,550,156**	**$ 3,322,187**	**$ 2,942,814**	**$ 2,803,610**	**$ 2,655,948**	**$ 2,450,921**	**$ 2,300,306**	**$ 2,147,736**	**$ 2,011,683**	**$ 1,878,561**
Research Expenses	$ 497,893	$ 456,087	$ 414,259	$ 384,431	$ 359,936	$ 323,623	$ 297,448	$ 267,303	$ 261,055	$ 244,763
Total Adjusted Operating Expenses	$ 3,550,156	$ 3,322,187	$ 2,942,814	$ 2,803,610	$ 2,655,948	$ 2,450,921	$ 2,300,306	$ 2,147,736	$ 2,011,683	$ 1,878,561
Ratio	**14.0%**	**13.7%**	**14.1%**	**13.7%**	**13.6%**	**13.2%**	**12.9%**	**12.4%**	**13.0%**	**13.0%**
Measures the institution's research expense to the total operating expenses.										
NET TUITION PER STUDENT										
Student Tuition and Fees, net	$ 2,028,283	$ 1,889,421	$ 1,689,832	$ 1,598,180	$ 1,550,581	$ 1,423,052	$ 1,323,268	$ 1,250,828	$ 1,157,535	$ 1,021,014
Financial Aid Grants	244,649	216,672	200,843	198,432	186,818	168,230	152,500	128,474	124,188	115,070
Scholarships and Fellowships	(328,277)	(290,776)	(293,349)	(300,202)	(292,914)	(247,194)	(211,811)	(187,124)	(152,802)	(136,675)
Net Tuition and Fees	**$ 1,944,655**	**$ 1,815,317**	**$ 1,597,326**	**$ 1,496,410**	**$ 1,444,485**	**$ 1,344,088**	**$ 1,263,957**	**$ 1,192,178**	**$ 1,128,921**	**$ 999,409**
Net Tuition and Fees	$ 1,944,655	$ 1,815,317	$ 1,597,326	$ 1,496,410	$ 1,444,485	$ 1,344,088	$ 1,263,957	$ 1,192,178	$ 1,128,921	$ 999,409
Student FTE	130,059	127,198	121,770	117,005	110,548	103,654	97,950	94,077	88,742	81,254
Net Tuition per Student (whole dollars)	**$ 14,952**	**$ 14,272**	**$ 13,118**	**$ 12,789**	**$ 13,067**	**$ 12,967**	**$ 12,904**	**$ 12,672**	**$ 12,721**	**$ 12,300**
Measures the institution's net student tuition and fees received per student.										
STATE APPROPRIATIONS PER STUDENT										
State Appropriations	$ 423,778	$ 405,040	$ 385,527	$ 306,346	$ 323,332	$ 303,370	$ 306,778	$ 296,913	$ 281,385	$ 338,042
Capital State Appropriations	26,508	80,246	25,985	25,840	25,622	25,406	13,479	11,190	11,422	15,000
Adjusted State Appropriations	**$ 450,286**	**$ 485,286**	**$ 411,512**	**$ 332,186**	**$ 348,954**	**$ 328,776**	**$ 320,257**	**$ 308,103**	**$ 292,807**	**$ 353,042**
Adjusted State Appropriations	$ 450,286	$ 485,286	$ 411,512	$ 332,186	$ 348,954	$ 328,776	$ 320,257	$ 308,103	$ 292,807	$ 353,042
Student FTE	130,059	127,198	121,770	117,005	110,548	103,654	97,950	94,077	88,742	81,254
Adjusted State Appropriations per Student (whole dollars)	**$ 3,462**	**$ 3,815**	**$ 3,379**	**$ 2,839**	**$ 3,157**	**$ 3,172**	**$ 3,270**	**$ 3,275**	**$ 3,300**	**$ 4,345**
Measures the institution's dependency on state appropriations.										

[1] Balances prior to FY 2016 have not been adjusted for the implementation of GASB Statement No. 72, *Fair Value Measurement and Application*. Balances prior to FY 2018 have not been adjusted for the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other then Pensions,* as amended by GASB Statement No. 85, *Omnibus 2017*. Balances prior to FY 2022 have not been adjusted for the implementation of GASB Statement No. 87, *Leases*. Balances prior to FY 2023 have not been adjusted for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Balances prior to FY 2024 have not been adjusted for the implementation of GASB Statement No. 101, *Compensated Absences*.

Debt Coverage for Senior and Subordinate Lien Bonds

Summary of Ratios *(Dollars in thousands)*

Fiscal Year Ended June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015

Bond Resolution Covenant. The Board has covenanted in the Bond Resolution to fix, revise and collect tuition, registration, matriculation, health services, laboratory, and admission fees from students matriculated, registered or enrolled at or attending the University, and to fix, revise and collect all other fees, admissions, rentals and other charges received from students, faculty, staff members and others using or being served by the System of Building Facilities, in an aggregate amount so the Gross Revenues of the University for each fiscal year will be at least 150% of the Maximum Annual Debt Service due in any fiscal year on all outstanding senior lien bonds and sufficient at all times to continually operate and maintain the System of Building Facilities and to make necessary deposits at the times and in the amounts specified in the Bond Resolution.

Bond Resolution Requirement. Pursuant to the Bond Resolution, the Board may issue additional Parity Bonds if the Gross Revenues of the University for the fiscal year preceding the issuance of such Parity Bonds are at least equal to 300% of the Maximum Annual Debt Service on all Outstanding Parity Bonds and the Parity Bonds proposed to be issued.

Fiscal Year Ended June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
REVENUES AVAILABLE FOR DEBT SERVICE										
Tuition and Fees, net of scholarship allowance	$ 2,028,283	$ 1,889,421	$ 1,689,833	$ 1,598,180	$ 1,550,581	$ 1,423,051	$ 1,312,313	$ 1,250,828	$ 1,157,535	$ 1,021,014
Receipts from Other Major Revenue Sources (Facilities Revenue)	537,058	506,201	466,350	330,044	349,050	358,231	335,309	304,859	293,117	279,610
Net Revenues Available for Debt Service	**$ 2,565,341**	**$ 2,395,622**	**$ 2,156,183**	**$ 1,928,224**	**$ 1,899,631**	**$ 1,781,282**	**$ 1,647,622**	**$ 1,555,687**	**$ 1,450,652**	**$ 1,300,624**
SENIOR LIEN MAXIMUM BONDS DEBT SERVICE										
Interest on Debt	$ 93,914	$ 84,167	$ 75,267	$ 67,685	$ 60,598	$ 58,683	$ 54,954	$ 53,077	$ 42,451	$ 46,842
Principal Paid on Debt	90,330	87,895	83,030	80,625	70,990	61,425	53,455	51,555	46,525	40,155
Senior Lien Bonds Debt Service Requirement (1)	**$ 184,244**	**$ 172,062**	**$ 158,297**	**$ 148,310**	**$ 131,588**	**$ 120,108**	**$ 108,409**	**$ 104,632**	**$ 88,976**	**$ 86,997**
Coverage	**13.92**	**13.92**	**13.62**	**13.00**	**14.44**	**14.83**	**15.20**	**14.87**	**16.30**	**14.95**

Debt Service Assurance Agreement and SPEED Bond Resolution Covenant. The Board has further covenanted in the Debt Service Assurance Agreement in the bond resolution for the Board's SPEED Revenue Bonds to fix, revise and collect Student Tuition and Fees Revenues and Facilities Revenues in an aggregate amount so that Gross Revenues of the University in any fiscal year will be at least equal to 100% of (i) the annual debt service due on all Outstanding Parity Bonds and the Subordinate Obligations in such fiscal year and (ii) the expense of operating and maintaining the System of Building Facilities.

Fiscal Year Ended June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
SENIOR LIEN BONDS DEBT SERVICE										
Interest on Debt	$ 93,914	$ 84,167	$ 75,267	$ 67,685	$ 60,598	$ 58,683	$ 54,954	$ 53,077	$ 44,482	$ 46,842
Principal Paid on Debt	90,330	87,895	83,030	80,625	70,990	61,425	53,455	51,555	43,435	40,155
Senior Lien Bonds Debt Service Requirement	**$ 184,244**	**$ 172,062**	**$ 158,297**	**$ 148,310**	**$ 131,588**	**$ 120,108**	**$ 108,409**	**$ 104,632**	**$ 87,917**	**$ 86,997**
SUBORDINATE LIEN BONDS DEBT SERVICE										
Interest on Debt	$ 8,111	$ 3,595	$ 3,595	$ 3,595	$ 3,836	$ 4,640	$ 5,374	$ 5,374	$ 5,757	$ 7,154
Principal Paid on Debt	9,555	7,550	7,550	7,550	8,335	7,630	6,970	6,970	7,805	6,440
Subordinate Lien Bonds Debt Service Requirements	**$ 17,666**	**$ 11,145**	**$ 11,145**	**$ 11,145**	**$ 12,171**	**$ 12,270**	**$ 12,344**	**$ 12,344**	**$ 13,562**	**$ 13,594**
Combined Senior/Subordinate Lien Debt Service (1)	**$ 201,910**	**$ 183,207**	**$ 169,442**	**$ 159,455**	**$ 143,759**	**$ 132,378**	**$ 120,753**	**$ 116,976**	**$ 101,479**	**$ 100,591**
Coverage	**12.71**	**13.08**	**12.73**	**12.09**	**13.21**	**13.46**	**13.64**	**13.30**	**14.30**	**12.93**

(1) Presents actual annual debt service through final bond maturity for the year with the highest debt service.

Long-Term Debt *(Dollars in thousands)*										
Fiscal year ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
System Revenue Bonds	$ 2,352,720	$ 2,103,045	$ 1,979,575	$ 1,865,550	$ 1,691,205	$ 1,556,810	$ 1,404,350	$ 1,392,795	$ 1,212,240	$ 1,157,535
Unamortized Premium	221,052	200,459	203,619	209,133	191,967	170,948	150,794	144,377	105,470	91,298
Net System Revenue Bonds	**$ 2,573,772**	**$ 2,303,504**	**$ 2,183,194**	**$ 2,074,683**	**$ 1,883,172**	**$ 1,727,758**	**$ 1,555,144**	**$ 1,537,172**	**$ 1,317,710**	**$ 1,248,833**
Certificates of Participation	$ 95,620	$ 110,085	$ 123,955	$ 140,905	$ 157,265	$ 173,075	$ 188,325	$ 202,290	$ 213,710	$ 224,965
Unamortized Premium	560	988	1,557	2,280	3,074	3,869	4,666	6,470	7,574	8,731
Net Certificates of Participation	**$ 96,180**	**$ 111,073**	**$ 125,512**	**$ 143,185**	**$ 160,339**	**$ 176,944**	**$ 192,991**	**$ 208,760**	**$ 221,284**	**$ 233,696**
Total Bonds Payable	$ 2,573,772	$ 2,303,504	$ 2,183,194	$ 2,074,683	$ 1,883,172	$ 1,727,758	$ 1,555,144	$ 1,537,172	$ 1,317,710	$ 1,248,833
COPS Payable	96,180	111,073	125,512	143,185	160,339	176,944	192,991	208,760	221,284	233,696
Financed Purchases	30,611	53,351	56,794	87,582	91,939	96,330	101,251	104,822	110,323	113,288
Total	**$ 2,700,563**	**$ 2,467,928**	**$ 2,365,500**	**$ 2,305,450**	**$ 2,135,450**	**$ 2,001,032**	**$ 1,849,386**	**$ 1,850,754**	**$ 1,649,317**	**$ 1,595,817**
Long-Term Debt										
per Student FTE *(whole dollars)*	$ 20,764	$ 19,402	$ 19,426	$ 19,704	$ 19,317	$ 19,305	$ 18,881	$ 19,673	$ 18,586	$ 19,640
per Dollar of State Appropriations and State Capital Appropriations	$ 6.00	$ 5.09	$ 5.75	$ 6.94	$ 6.12	$ 6.09	$ 5.77	$ 6.01	$ 5.63	$ 4.52
per Dollar of Total Grants and Contracts	$ 3.91	$ 4.09	$ 3.48	$ 3.04	$ 4.87	$ 4.98	$ 4.97	$ 5.64	$ 5.32	$ 5.57
Data Used in Above Calculations										
Total Student FTE	130,059	127,198	121,770	117,005	110,548	103,654	97,950	94,077	88,742	81,254
State Appropriations and State Capital Appropriations	$ 450,286	$ 485,286	$ 411,512	$ 332,186	$ 348,954	$ 328,776	$ 320,257	$ 308,103	$ 292,807	$ 353,042
Grants and Contracts	$ 690,188	$ 603,436	$ 678,792	$ 757,415	$ 438,286	$ 401,555	$ 372,291	$ 328,283	$ 309,902	$ 286,684

Student FTE based on fall enrollment of the fiscal year.

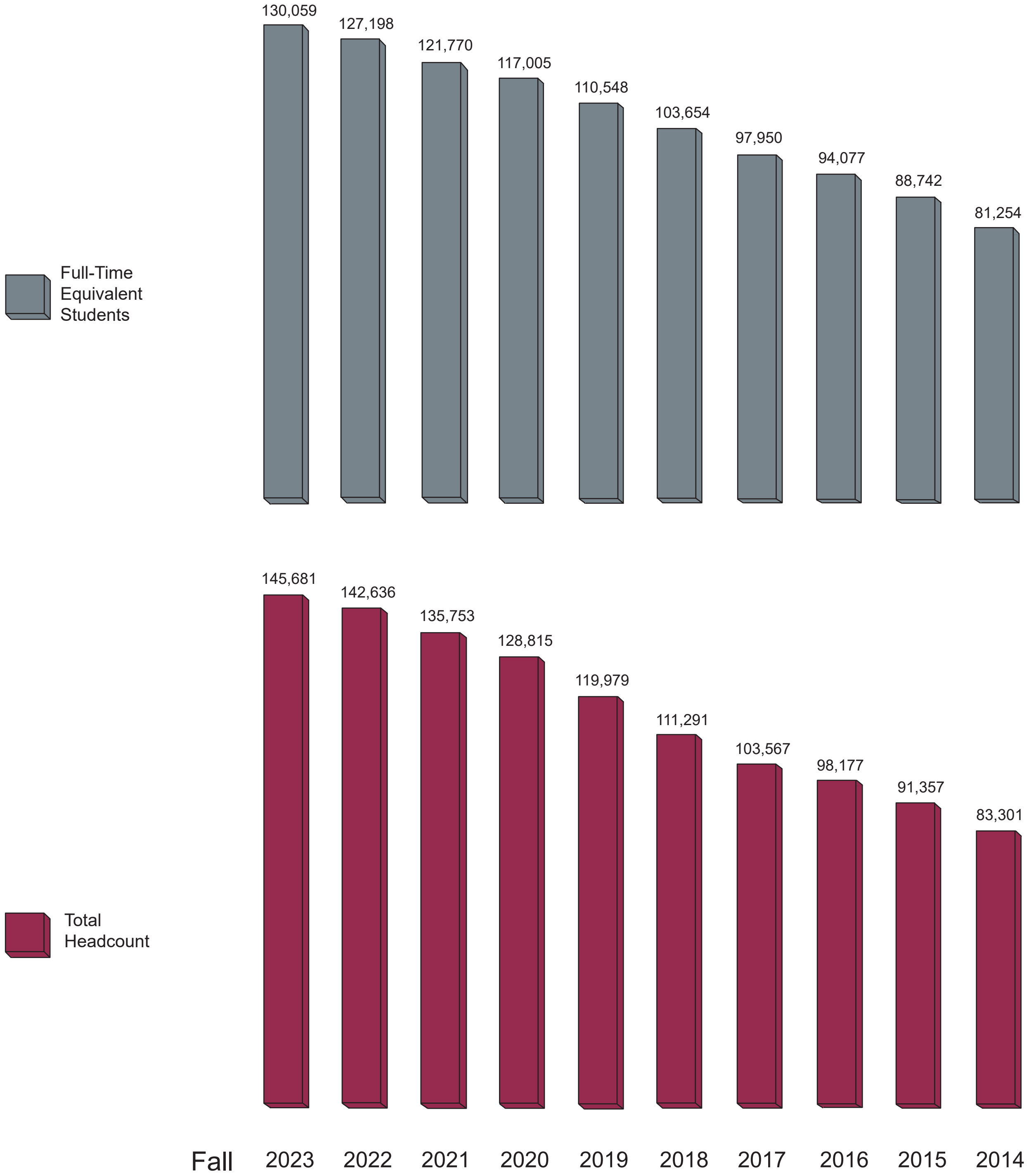
Admissions, Enrollment, and Degrees Earned

Admissions, Enrollment, and Degrees Earned *(21st Day Fall Enrollment)*										
Fall enrollment of fiscal year	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
ADMISSIONS - FIRST-YEAR										
Applications [1]	77,103	77,213	68,588	59,075	57,576	45,327	44,613	42,396	42,363	38,280
Accepted	67,381	67,171	59,233	51,325	47,151	36,856	34,712	32,653	32,400	30,028
Enrolled	17,141	18,124	16,830	15,161	15,606	13,974	12,337	12,119	12,004	11,079
Accepted as Percentage of Application	87%	87%	86%	87%	82%	81%	78%	77%	76%	78%
Enrolled as Percentage of Accepted	25%	27%	28%	30%	33%	38%	36%	37%	37%	37%
Average SAT scores - Total [2]	1227	1225	1227	1199	1210	1210	1194	1184	1182	1182
Evidence-based reading and writing	613	610	612	598	603	603	598	594	594	594
Math	615	616	616	602	608	608	599	591	589	590
ENROLLMENT										
Student FTE	130,059	127,198	121,770	117,005	110,548	103,654	97,950	94,077	88,742	81,254
Student Headcount	145,681	142,636	135,753	128,815	119,979	111,291	103,567	98,177	91,357	83,301
African American (Headcount)	8,283	8,026	7,770	7,342	6,404	5,695	5,152	4,785	4,439	4,002
Percentage of Total	5.7%	5.6%	5.7%	5.7%	5.3%	5.1%	5.0%	4.9%	4.9%	4.8%
White (Headcount)	65,538	66,172	66,035	64,958	61,656	58,749	55,000	52,531	49,083	45,407
Percentage of Total	45.0%	46.4%	48.6%	50.4%	51.4%	52.8%	53.1%	53.5%	53.7%	54.5%
Other (Headcount)	71,860	68,438	61,948	56,515	51,919	46,847	43,415	40,861	37,835	33,892
Percentage of Total	49.3%	48.0%	45.7%	43.9%	43.3%	42.1%	41.9%	41.6%	41.4%	40.7%
DEGREES EARNED										
Associate's	4	-	-	-	-	-	-	-	-	-
Bachelor’s	23,678	23,579	23,139	22,067	20,308	19,340	18,178	16,450	15,264	14,842
Master’s	12,390	11,312	9,640	8,829	8,074	7,149	6,828	6,008	5,817	5,268
Doctoral	730	703	684	701	755	714	692	677	674	687
Professional	290	259	274	283	252	282	276	199	198	223
Total Degrees Earned	**37,092**	**35,853**	**33,737**	**31,880**	**29,389**	**27,485**	**25,974**	**23,334**	**21,953**	**21,020**

[1] Beginning fall 2019, the University began accepting the Common App for first time freshman applications.

[2] SAT scores for all years have been adjusted to be comparable to scores on the redesigned test that began in March 2016.

Student information based on fall enrollment of the fiscal year and degree information includes all graduations during fiscal year.



Enrollment *(Fall Enrollment)*										
Fall enrollment of fiscal year	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
ENROLLMENT (Headcount)										
Undergraduate	114,490	112,177	107,431	103,617	96,727	89,898	83,551	79,447	74,146	67,507
Graduate	31,191	30,459	28,322	25,198	23,252	21,393	20,016	18,730	17,211	15,794
Resident (Arizona)	59,493	59,078	59,954	59,472	57,552	54,861	53,158	51,438	50,350	49,940
Non-Resident	86,188	83,558	75,799	69,343	62,427	56,430	50,409	46,739	41,007	33,361

Demographic Data

Demographic Data										
Fiscal Year Ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Arizona Population	7,475,346	7,423,454	7,276,316	7,421,401	7,278,717	7,171,646	7,016,270	6,931,071	6,829,397	6,731,484
Arizona Personal Income *(in millions)*	471,753	436,527	395,111	363,274	335,243	313,040	292,108	278,925	266,756	255,089
Arizona Per Capita Personal Income	63,108	58,804	54,301	48,950	46,058	43,650	41,633	40,243	39,060	37,895
Arizona Unemployment Rate	3.30%	3.50%	4.90%	7.90%	4.70%	4.80%	4.90%	5.30%	6.10%	6.90%

Sources: U.S. Bureau of Economic Analysis and Arizona Office of Economic Opportunity.

Principal Employers						
	Calendar Year Ended December 31, 2023			Calendar Year Ended December 31, 2014		
Employer	Full-Time Equivalent Employees	Rank	Percentage of Total State Employment	Full-Time Equivalent Employees	Rank	Percentage of Total State Employment
State of Arizona	40,237	1	1.09%	48,910	1	1.58%
Walmart Inc.	36,931	2	1.00%	32,438	2	1.05%
Banner Health	36,588	3	0.99%	30,266	3	0.98%
Amazon.com	33,000	4	0.90%			
Wells Fargo & Co.	14,315	5	0.39%	14,126	5	0.46%
Raytheon Technologies Corp.	14,000	6	0.38%			
Arizona State University	13,576	7	0.37%	12,229	7	0.40%
City of Phoenix	13,000	8	0.35%	14,875	4	0.48%
Intel Corp.	13,000	9	0.35%	11,700	8	0.38%
Maricopa County	12,994	10	0.35%	13,341	6	0.43%
Scottsdale Lincoln Health Network				10,500	9	0.34%
Honeywell				10,000	10	0.32%
	227,641		6.17%	198,385		6.42%

Sources: Phoenix Business Journal, Book of Lists 2023 and Arizona State University CAFR 2015 for employers: Arizona Commerce Authority website, https://www.azcommerce.com/oeo/labor-market/unemployment/.

Faculty and Staff										
Fall employment of fiscal year	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
FACULTY										
Full-time	3,915	3,871	3,772	3,632	3,595	3,483	3,367	3,225	3,108	2,963
Part-time	410	363	317	304	320	291	310	330	394	515
Total Faculty	**4,325**	**4,234**	**4,089**	**3,936**	**3,915**	**3,774**	**3,677**	**3,555**	**3,502**	**3,478**
Percentage Tenured	50.1%	51.2%	51.8%	52.7%	52.9%	54.5%	55.0%	55.4%	55.9%	54.2%
STAFF										
Full-time	9,276	8,433	7,867	7,988	7,889	7,551	7,189	6,734	6,443	5,966
Part-time	5,389	5,527	5,334	4,797	4,925	4,819	4,519	4,414	4,168	4,183
Total Staff	**14,665**	**13,960**	**13,201**	**12,785**	**12,814**	**12,370**	**11,708**	**11,148**	**10,611**	**10,149**
Total Faculty and Staff	**18,990**	**18,194**	**17,290**	**16,721**	**16,729**	**16,144**	**15,385**	**14,703**	**14,113**	**13,627**

Sources: Arizona State University Fact Book and Institutional Analysis.

Percentage Tenured includes tenured and tenure track faculty.

Capital Assets										
Fiscal Year Ended June 30,	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
CAPITAL ASSETS *(Number of Facilities)*										
Academic/Support Facilities	227	226	230	227	226	227	249	251	252	248
Auxiliary Facilities	155	155	152	151	148	149	159	164	166	172
Total	**382**	**381**	**382**	**378**	**374**	**376**	**408**	**415**	**418**	**420**

Source: Arizona State University Capital Improvement Plans

Right. The ASU monument welcomes everyone at the west entrance to the Polytechnic campus in Mesa, Arizona.


ASU
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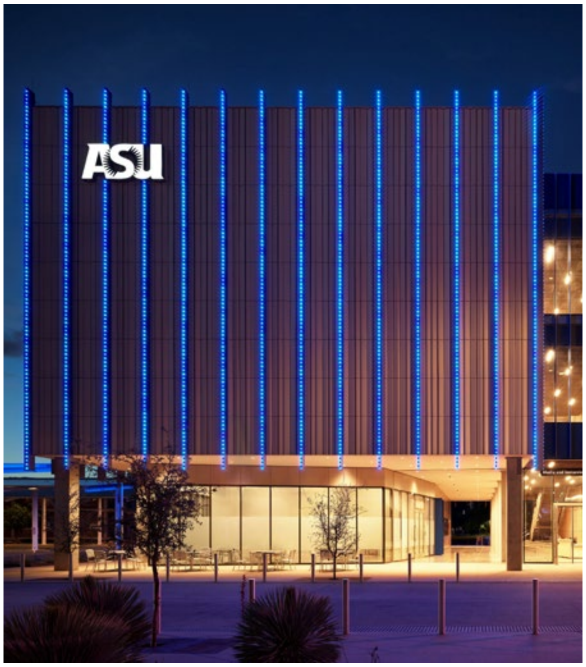
STATE
UNIVERSITY



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