Dear members of the ASU community:

During my tenure at ASU, we have worked together to build a university that is steadfastly focused on accessibility, excellence and impact. Our institution is more entrepreneurial, more nimble, and more innovative than it has been at any time in its history, and I’m confident we will continue to make great progress in the years ahead.

As you are probably aware, however, state policymakers faced with serious constraints on the state budget decided again to significantly reduce the state’s investment in public higher education. Because I’m sure you have questions about what reduced state investment in ASU may mean during the upcoming fiscal year which begins on July 1, I’d like to provide you with a general overview of how we will respond to the state’s decision.

Our ability to provide an enriching educational environment for our students is entirely dependent on maintaining our community of dedicated and talented faculty and staff. While each unit will prepare its own plans for the operational adjustments required to respond to this additional round of reduced state investment, the first thing you should know is that I do not anticipate those adjustments will include changes to our overall numbers of faculty and staff across the institution. We as an institution will find ways to continue to invest in our people.

Second, we will continue to diversify the sources of revenue used to operate the institution. As a result of the new budget, only about 12 percent of our total annual expenditures will be provided to the university from the general tax revenues of the State of Arizona. Like the University of Colorado and other public universities which receive low levels of state investment, we will generate revenue by providing the highest quality, most affordable education to students from our own state, students from around the country, international students, on-line students, and students engaged in continuing education and life-long learning. We also will seek to generate additional revenues through the entrepreneurial activities of the university and the ASU Foundation, including the Office of Knowledge Enterprise Development, SkySong, Arizona Technology Enterprises, and ASU Research Enterprises. And we will do all of this in close cooperation with comprehensive, institutional partners such as the Mayo Clinic and Starbucks.
Third, we will continue to be one of the most efficient institutions of higher education in the United States. Our cost per degree is among the best when compared to other research-intensive public universities. In fact, it is less than half that of the most expensive public institutions and a third lower than the median for these universities. Our ratio of administrators to students is also admirably low.

We will not accept that the state’s lack of investment in our mission can prevent us from reaching our goals. As we have proven by forging ahead with our model for a New American University since 2002, we can increase the quality and accessibility of teaching, learning, and the creation of new knowledge even as we operate more efficiently.

It remains entirely within our power to continue to evolve ASU into a world-class knowledge enterprise. It will not be easy. Given the steadily decreasing public investment in ASU at the state level, we will need to stay focused on our mission, revisit all of our assumptions about the future and continue to work hard to provide a great learning environment for our students. But I am not discouraged. I know that we have built together a highly adaptive organization and that our dedication to the success of our students will not waiver.

Thank you for your contribution to the ASU mission. It is because of your dedication and hard work that ASU and its students will continue to thrive.

Michael M. Crow
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