



## REPORT HIGHLIGHTS

### FINANCIAL STATEMENT AUDIT

### Our Conclusion

Arizona State University is responsible for preparing annual financial statements, maintaining effective internal controls, and being accountable for its use of public monies. Our Office is responsible for auditing the University's financial statements annually. Since the University is a component of the State of Arizona, the financial statements will also be incorporated in the State of Arizona's Comprehensive Annual Financial Report. A summary of the University's financial statements is presented to the right.

Based on our audit, we issued a report that included our opinion on the University's financial statements and a report on its internal control and compliance. The information in the University's fiscal year 2012 financial statements is reliable. Our report on internal control and compliance did not include any reported deficiencies in the University's internal control or compliance over financial reporting.



2012

Year Ended June 30, 2012

## Condensed financial information

**Statement of net assets**—This statement reports all assets, liabilities, and net assets. Net assets, the difference between assets and liabilities, are reported in three major categories:

- **Invested in capital assets, net of related debt**—shows the equity in property, plant, and equipment.
- **Restricted**—shows the resources that must be used for restricted purposes as specified by donors and external entities.
- **Unrestricted**—shows the resources available for general operations.

**Statement of revenues, expenses, and changes in net assets**—This statement reports all revenues, expenses, and other changes in net assets. Revenues and expenses are reported as either operating or nonoperating. The change in net assets indicates whether financial health has improved or deteriorated as a result of current-year activities. Net assets increased by \$121 million, or 11 percent, in the current year as compared to an increase of \$93 million, or 9 percent, in fiscal year 2011 and an increase of \$85 million, or 9 percent, in fiscal year 2010.

### Condensed statement of net assets As of June 30, 2012 (In millions)

<b>Assets</b>	
Cash and investments	\$ 765
Capital assets, net of depreciation	1,730
Receivables	164
Other assets	32
Total assets	<u>2,691</u>
<b>Liabilities</b>	
Long-term debt	1,275
Other liabilities	164
Total liabilities	<u>1,439</u>
<b>Net assets</b>	
Invested in capital assets, net of related debt	643
Restricted	146
Unrestricted	463
Total net assets	<u>\$1,252</u>

### Condensed statement of revenues, expenses, and changes in net assets For the year ended June 30, 2012 (In millions)

<b>Operating revenues</b>	
Tuition and fees	\$ 757
Grants and contracts	230
Auxiliary enterprises	105
Other operating revenues	63
Total operating revenues	<u>1,155</u>
<b>Operating expenses</b>	
Educational and general	1,344
Auxiliary enterprises	116
Depreciation	98
Total operating expenses	<u>1,558</u>
Operating loss	(403)
<b>Nonoperating revenues and expenses</b>	
State appropriations	308
Grants	159
Other nonoperating, net	32
Net nonoperating revenues	<u>499</u>
<b>Capital and other additions</b>	
Increase in net assets	121
Net assets—beginning	<u>1,131</u>
Net assets—ending	<u>\$1,252</u>



**Arizona State University**

Copies of Arizona State University's Annual  
Financial Report and Report on Internal Control and  
Compliance are available at: [www.azauditor.gov](http://www.azauditor.gov)  
Contact person:  
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Year Ended June 30, 2012