

Center and Institute Self-Study Report Template

Center/Institute Name: Center for Competitiveness and Prosperity Research **FYs:** 2006-2010

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This document contains a five year review of the activities of the CCPR including

- Center/Institute Goals
- Organizational Structure
- Key Accomplishments and Activities
- Listing of All Proposal Activity and External Funding
- Future Strategic Plans
- Financial Summary

Center for Competitiveness and Prosperity Research

Center Goals

The Center produces applied, unbiased research, similar in style to the output of highly respected think tanks, which is of interest to a broad audience and informs public policy issues in Arizona. Underlying this mission is a need to be not only self supporting, but to provide revenue to the W. P. Carey School of Business and to the University. Thus, the Center performs contract work for non-university clients, with **most of the research of general interest and available to the public at no charge via the Center's website, wpcarey.asu.edu/seid/ccpr/.**

In addition, the Center receives partial funding from the Office of the University President in exchange for staffing of the Office of the University Economist. The University Economist has two primary functions:

1. To administer the Productivity and Prosperity Project (P3); and
2. To respond to strategic and tactical needs of the Office of the President and the university as a **whole related to economic development, the university's role as an economic driver, and public finance.**

Most of the University Economist reports are available at no charge to the public, through both the **Center's website and the website of the University Economist (economist.asu.edu/)**, which is maintained by the Center.

Organizational Structure

The Center is a unit of the L. William Seidman Research Institute, located in downtown Tempe at Centerpoint. It consists of one full-time staff member (Tom Rex, the Associate Director) and one 50 percent-time Research Professor, Kent Hill, who also works for the Economics Department. The Center works closely with Seidman Institute personnel, particularly Dennis Hoffman (Director of the Seidman Institute and of the Office of the University Economist, who effectively serves the role of Faculty Director of the CCPR) and Eva Madly (Research Economist). Tim Hogan (Research Associate) and other ASU employees have also **contributed to the Center's efforts.**

Key Accomplishments

Just prior to the beginning of the five-year period covering FY 2006 to 2010, the Center underwent a significant change in role. Previously, it had largely been a public service organization that produced a monthly publication (*Arizona Business*), though it also undertook contract work for outside clients. Much of the contract work was as a subcontractor to the ASU Morrison Institute.

During FY 2005, the Center transitioned to becoming a self-supporting organization and the publication of *Arizona Business* ceased. Work began during this year for the Office of the University Economist (UE). Early in FY 2006, the Center changed its name to reflect its new mission.

Between FY 2006 and FY 2010, the Center's workload was evenly split between project work for outside clients and University Economist work. However, the proportions varied widely over this period. Little of the contract work was performed as a subcontractor to the Morrison Institute.

FY 2006

This was the first year of extensive output related to the Office of the University Economist. A number of P3 reports were produced. Work for other clients was limited.

University Economist

- Tuition, Appropriations and Constitutional Mandates in Arizona
wpcarey.asu.edu/seidman/reports/UnivEconomist/tuition_2-06.pdf
- The Contribution of Arizona State University to the Arizona Economy, Fiscal Year 2005
wpcarey.asu.edu/seidman/reports/UnivEconomist/asulmpact_5-06.pdf

Productivity and Prosperity Project

- "The Productivity and Prosperity Project: An Analysis of Economic Competitiveness"
wpcarey.asu.edu/seidman/Reports/P3intro.pdf
- "The Value of Higher Education: Individual and Societal Benefits"
wpcarey.asu.edu/seidman/Reports/P3/ValueOfEducation_10-05.pdf
- "Higher Education Enrollment and Finance in Arizona Compared to All States"
wpcarey.asu.edu/seidman/Reports/P3/EnrollmentFinance_10-05.pdf
- "Educational Attainment in Arizona Compared to All States"
wpcarey.asu.edu/seidman/Reports/P3/EdAttainment_11-05.pdf
- "Universities in the U.S. National Innovation System"
wpcarey.asu.edu/seidman/Reports/P3/UniversityInnovation_3-06.pdf
- "Job Quality: 2004 Update" wpcarey.asu.edu/seidman/Reports/P3/JobQuality2004_3-06.pdf
- "High-Wage Jobs" wpcarey.asu.edu/seidman/Reports/P3/HighWage_5-06.pdf
- "Five Reasons to Skip College: A Reply" wpcarey.asu.edu/seidman/Reports/P3/FiveReasons_5-06.pdf

Other Clients

- Information Request Prepared for Arizona American Water Co., *Arizona American Water Company*
- Performance Measures for Arizona, *Arizona Department of Commerce*
- The Number of Businesses in Arizona, *Arizona Department of Commerce*
www.azcommerce.com/doclib/PROP/NumberofBusinesses.pdf
- The Economic Impact of Raytheon Missile Systems, 2004, *Raytheon*

FY 2007

Large projects done for outside clients (Arizona Department of Commerce and Science Foundation Arizona) **dominated this year's work**. Although relatively little specific UE/P3 work was done, the Science Foundation Arizona report fitted with the P3 agenda.

University Economist

- **Is Resident Undergraduate Instruction at Arizona State University as Nearly Free as Possible?**
wpcarey.asu.edu/seidman/reports/UnivEconomist/tuition_11-06.pdf
- **A Brief Analysis of Issues Associated With Debt Financing for the State of Arizona 'Students First' School Capital Funding System**

wpcarey.asu.edu/seidman/reports/UnivEconomist/studentsFirst_3-07.pdf

- Changes in State Government Spending Compared to Changes in Income in Arizona Since 1990
wpcarey.asu.edu/seidman/reports/UnivEconomist/spendingAndIncome_3-07.pdf

Productivity and Prosperity Project

- University Research and Local Economic Development
wpcarey.asu.edu/seidman/Reports/P3/UniversityResearch_8-06.pdf
- Sunbelt Growth and the Knowledge Economy: An Exploratory Analysis
wpcarey.asu.edu/seidman/Reports/P3/SunbeltKnowledge_6-07.pdf

Other Clients

- The Economic Impact of the Boeing Company on the State of Arizona 2005, *Boeing*
- Economic Base Study: Arizona and Counties, *Arizona Department of Commerce*
www.azcommerce.com/Research/ARIZONA+STATE+AND+COUNTY+BASE+STUDIES.htm
- Arizona Regional Economic Base Studies, *Arizona Department of Commerce*
www.azcommerce.com/Research/Arizona+Regional+Economic+Base+Studies.htm
- Economic Impact of BCS, Fiesta and Insight Bowls, *ASU Marketing Department*
- Hospital and Health Care Organizations in State of Arizona, *ASU School of Health & Management Policy*
- An Economic and Demographic History of Superior and the Surrounding Region, *Resolution Copper Company*
- A Strategic Assessment of the Economic Benefits of Investments in Research in Arizona, *Science Foundation Arizona*
www.sfaz.org/news/economic-indicators.aspx

FY 2008

This was another year of more work done for outside clients than for UE/P3. Several projects for the Arizona Department of Commerce begun the prior year were completed. The Center also contributed to the major infrastructure project done for the Arizona Investment Council. Participation in the new Arizona Indicators project began, with the Center initially responsible for the Innovation section. The Economy and the Public Finance sections were added over time. Although a funded ASU initiative, Arizona Indicators is not part of the UE contract.

University Economist

- Public Investment Using Debt Financing and the Effect on Economic Activity: Perspectives for the State of Arizona
wpcarey.asu.edu/seidman/reports/UnivEconomist/debtFinancing_1-08.pdf
- The Economic Impact of \$1.4 Billion of University Construction Projects on the State of Arizona
wpcarey.asu.edu/seidman/reports/UnivEconomist/impactUnivConstruction_2-08.pdf
- Tax Law Changes in Arizona Since 1989 and the Impact on Government Revenues and Economic Growth
wpcarey.asu.edu/seidman/reports/UnivEconomist/taxLawChanges_6-08.pdf

Productivity and Prosperity Project

- Targeting Federal Laboratories as a Catalyst for Private Investment in Research & Development
wpcarey.asu.edu/seidman/Reports/P3/FederalLabs_1-08.pdf
- The Contribution of Universities to Regional Economies
wpcarey.asu.edu/seidman/Reports/P3/ContributionUniv_3-08.pdf

- Quantitative Examples of the Financial and Economic Benefits of Higher Education
wpcarey.asu.edu/seidman/Reports/P3/ExamplesEdBenefits_3-08.pdf
- The Societal Benefits of Higher Education
wpcarey.asu.edu/seidman/Reports/P3/SocietalBenefits_4-08.pdf

Other Clients

- The Economies of Arizona Communities, *Arizona Department of Commerce*
www.azcommerce.com/Research/BaseStudies/Economic+Base+Studies.htm
- Arizona Innovation Indicators, *Arizona Department of Commerce*
- County Indicators for Arizona, *Arizona Department of Commerce*
- High-Technology Activities in Arizona: 2007 Update, *Arizona Department of Commerce*
www.azcommerce.com/doclib/prop/hightechstudyupdate.pdf
- Infrastructure Needs and Funding Alternatives for Arizona: 2008-2032, *Arizona Investment Council* www.arizonaaic.org/index.php?option=com_content&view=article&id=36:-link-to-infrastructure-report-full&catid=3:aic-news&Itemid=9
- Demographic and Socioeconomic Characteristics (chapter of the Greater Phoenix Forward report), *ASU College of Public Programs*
- Economic impacts of the LPGA and of the Super Bowl, *ASU Marketing Department*
- Economy and Demography of Chino Valley, *ASU Morrison Institute*
- Economy and Demography of Gilbert, With an Emphasis on Health Care, *ASU Morrison Institute*
- Changing Demographic Conditions in the Megametroplitan Area of Maricopa, Pima and Pinal Counties, *Central Arizona Association of Governments*
appliedeconomics.net/caag/ThreeCountyProjections.html
- Economic Impact, *Phoenix International Raceway*

FY 2009

Work for the UE made up a significantly greater proportion of the Center's effort compared to the two prior years. Most of the UE work was related to the state government's fiscal situation. The UE work also included support for the Commission on Innovation, Competitiveness and Economic Prosperity (CICEP), a commission of the Association of Public and Land-Grant Universities. The CICEP work included an expansion/improvement of the University Economist website. Other significant efforts during this year included the expansion of the infrastructure report produced by the Seidman Institute for the Arizona Investment Council and the hosting of an infrastructure conference.

University Economist

- The Economic Contributions of the University System
wpcarey.asu.edu/seidman/reports/UnivEconomist/univContribution.pdf
- Tax Reductions, the Economy and the Deficit in the Arizona State Government General Fund
wpcarey.asu.edu/seidman/reports/UnivEconomist/taxReductions.pdf
- Public Finance in Arizona:
Volume I: Facts
wpcarey.asu.edu/seidman/reports/UnivEconomist/publicFinance-1.pdf
Volume II: Concepts and Issues
wpcarey.asu.edu/seidman/reports/UnivEconomist/publicFinance-2.pdf
Volume III: Options for Managing the Arizona State General Fund
wpcarey.asu.edu/seidman/reports/UnivEconomist/publicFinance-3.pdf
- A Response to the Goldwater Institute's Proposals for Closing the State Government Budget Deficit

- wpcarey.asu.edu/seidman/reports/UnivEconomist/Goldwater_deficit.pdf
- Education Funding in Arizona: Constitutional Requirement and the Empirical Record
wpcarey.asu.edu/seidman/reports/UnivEconomist/EdFunding_1-13.pdf
- The Economic Effects of Government Spending Reductions Relative to Other Options
wpcarey.asu.edu/seidman/reports/UnivEconomist/EconEffects_Feb09.pdf
- Abbreviated Version of a Summary of the Arizona State Government Fiscal Situation
wpcarey.asu.edu/seidman/reports/UnivEconomist/Summary_3-09.ppt
- A Summary of the Arizona State Government Fiscal Situation
wpcarey.asu.edu/seidman/reports/UnivEconomist/Summary_3-09.pdf
- The Tax Burden in Arizona
wpcarey.asu.edu/seidman/reports/UnivEconomist/TaxBurden_5-09.pdf
- Guide to Producing a Traditional Economic Impact Analysis for a University (CICEP)
economist.asu.edu/files/Guide.doc
- The Contribution of Universities to Regional Economics (CICEP)
wpcarey.asu.edu/seidman/Reports/P3/ContributionUniv_5-09.pdf

Productivity and Prosperity Project

- Preparing for an Arizona of 10 Million People: Meeting the Infrastructure Challenges of Growth – Background Report
wpcarey.asu.edu/seidman/Reports/P3/infrastructure.pdf
- Preparing for an Arizona of 10 Million People: Meeting the Infrastructure Challenges of Growth
wpcarey.asu.edu/seidman/Reports/P3/10MillionReport.pdf
- Supply and Demand of STEM Occupations in Arizona
wpcarey.asu.edu/seidman/Reports/P3/STEM.pdf
- Economic Growth: The Importance of Education and Technological Development
wpcarey.asu.edu/seidman/Reports/P3/Blakemore.pdf
- The Contribution of Universities to Regional Economies
wpcarey.asu.edu/seidman/Reports/P3/ContributionUniv_5-09.pdf

Other Clients

- Fiscal Alternative Choices Team (FACT) Report, *Arizona Board of Regents*
- Economic Effect of the Statewide Ban on Smoking in Restaurants and Bars in Arizona, *Arizona Department of Health Services*
www.smokefreearizona.org/
- San Carlos Apache Tribe Economic Impact Study, *ASU American Indian Policy Institute*
- Bondurant School of Racing, *ASU Marketing Department*
- The Health and Economic Costs of a Lack of Health Insurance Coverage, *ASU Morrison Institute*
- The Economic Impact of the Boeing Led Ground-Based Midcourse Defense Program: Arizona Operations 2007, *Boeing*
- The Economic Impact of Goodwill Industries of Central Arizona 2007, *Boeing*
- The Economic Impact of Raytheon Missile Systems 2007, *Raytheon*

FY 2010

Work related to the state government's fiscal situation again took a large share of the Center's resources. However, in addition to work done directly for the UE, two major related projects for outside clients were completed. A number of economic impact studies were also produced.

University Economist

- The Contribution of Arizona State University to the Arizona Economy, Fiscal Year 2009
wpcarey.asu.edu/seidman/reports/UnivEconomist/asulImpact_2009.pdf
- Roadmap to Arizona's Economic Recovery: A Package to Create Jobs, Improve the State's Economic Competitiveness, and Balance the Budget
wpcarey.asu.edu/seidman/reports/UnivEconomist/Roadmap_01-10.pdf
- Addendum: Revenue Forecast Details
wpcarey.asu.edu/seidman/reports/UnivEconomist/RoadmapAddendum_03-10.pdf

Productivity and Prosperity Project

- A Comparison of Arizona to Nations of Comparable Size
wpcarey.asu.edu/seidman/Reports/P3/ComparisonAZnations.pdf
- The Magnitude and Causes of Arizona's Low Per Capita Income
wpcarey.asu.edu/seidman/Reports/P3/income_02-10.pdf

Other Clients

- Improving the Fiscal System of Arizona State Government, *Arizona School Boards Association*
- Riding the Fiscal Roller Coaster: Government Revenue in Arizona, *Arizona Town Hall*
www.aztownhall.org/pdf/95th_background_report.pdf
- The Economic Impact of Freeport-McMoRan Copper and Gold Inc. on the State of Colorado and Selected Counties, *Freeport-McMoRan*
- The Economic Impact of Freeport-McMoRan Copper and Gold Inc. on the State of New Mexico and Selected Counties, *Freeport-McMoRan*
- The Economic Impact of Freeport-McMoRan Copper and Gold Inc. on the State of Texas and Selected Counties, *Freeport-McMoRan*
- The Economic Impact of Freeport-McMoRan Copper and Gold Inc. on the State of Arizona and Selected Counties, *Freeport-McMoRan*
- The Economic Impact of Raytheon Missile Systems 2009, *Raytheon*

FY 2011

A major project for the Arizona Technology Council on the supply and demand for technology workers will consume a significant portion of the time of Center personnel. This project is a fit with the P3 agenda. Two other projects for outside clients that began in FY 2010 will also be completed in FY 2011.

As time allows, additional P3 projects will be undertaken. Some additional UE work related to the fiscal situation is foreseen and continued updating and expansion of Arizona Indicators is scheduled.

Other Clients

- **The Economic Impact of Arizona's Aerospace and Defense Industries (expected completion date: July 2010), *Arizona Department of Commerce***
- **Arizona's Technology Labor Force (expected completion date: June 2011), *Arizona Technology Council***
- **An Economic Impact Analysis of Maricopa Workforce Connections Operations and Services (expected completion date: December 2010), *Maricopa Workforce Connections***

Future Strategic Plan

The Center will continue to operate as it has for the past five years, producing applied research that addresses important public policy issues in Arizona. The work will continue to be conducted in part for outside clients, with the external funding covering the Center's costs as well as generating overhead for the School and University. Significant external funding for FY 2011 already has been obtained.

In addition, the Center will continue to support the Office of the University Economist. The primary challenge to the Center's limited personnel resources is to balance external projects, priority work for the UE, and the advancement of the P3 agenda. As the lowest priority, progress on planned P3 projects has slowed in recent years. In addition, it has been difficult to find time to update the Center's knowledge base concerning Arizona's economy and demography.

FINANCIAL SUMMARY: CCPR Apportioned Rev and Exp*

**Seidman Research Institute -- CenterPoint: CCPR Only
Financial Report for Fiscal Years 2008, 2009 and 2010**

(Excludes Knowledge@ and EOC)

	CCPR Apportionment		
	FY 2008	FY 2009	FY 2010
Starting FY 2010 Balance in Local and Foundation (excluding corpus) Accounts:	329,228	386,684	414,005
Annual Sources of Income			
University Economist Annual Support from President Crow	80,000	95,000	145,000
Sale of Services Contracts *		80,323	98,000
All intra university work for hire that results in transfers	15,000	25,000	15,000
Donations in the name of the Institute during the year.			
Parking payments from employees			
Miscellaneous Revenue			
Annual Spendable Endowment Income			
Sponsored Projects Salaries and ERE Support	90,000	-	-
Speech payments FY10			
Royalty Payments	85	-	31
Subscription Revenue	-	40	-
Research Incentive Distribution	635	-	-
Research Support			
Funding from Dean's Office	21,284	9,741	-
Transfer Residual from Inactive Accounts	238	6,897	-
Total Sources	207,242	217,001	258,031
Uses of Money			
All Salaries			
Staff Members, non teaching salaries only, through 6/30/201	122,505	125,048	130,133
ERE (Univ Econ., Local & Sponsored FY10)	5,389	3,317	41,643
Operations Expenses	18,050	9,198	6,961
All lease related expenses for fy	2,208	2,208	2,513
Budget Reduction	-	49,126	-
Service fee on expenditures out of local accounts 8.5%	1,534	782	592
Foundation Management Fees	99	1	1
Total Uses	149,786	189,680	181,841
Gross Surplus/Deficit	57,456	27,321	76,190
Ending FY 2010 Balance in Local and Foundation Accounts:	386,684	414,005	490,195

* Note: This financial statement may understate the amount of activity that takes place in the CCPR as no percentage of Dr. Hoffman and Eva Madly's efforts and revenue generated are apportioned. These activities are included in the combined statement reported earlier in this Review. Further apportionment of Hoffman and Madly in the CCPR would result in greater revenue than expenses. Indeed, any reasonable apportionment of revenues and expenses from Seidman Administration to the CCPR would reveal that the Center's activities result in positive net revenue.