



CSU SYSTEM

COLORADO STATE UNIVERSITY

FORT COLLINS | PUEBLO | GLOBAL

Bottom Line Up Front:

- 5 times in the last 20 years has State support been as low or lower than what's currently proposed
 - (6 times when not coupled with State and/or market tuition controls)
- CSUS institutions have struggled to improve compensation in those years

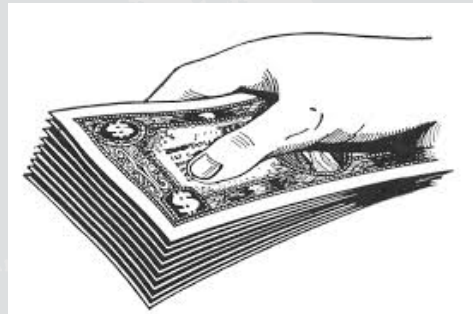


State Funding and Salaries Over Two Decades



State Funding and Salaries Over Two Decades

- State Funding
 - 12 of 20 years exceeded the rate of inflation
 - 7 years at or over 10%
 - 4 years of major reductions; much worse without ARRA and COVID federal funds
- Tuition & Enrollment & Mix
 - Major increases
 - Facility Bond Payments
 - Tuition “Runway”
 - Growth Model
- Salaries
 - 9 of 20 years exceeded the rate of inflation
 - 2 years at 5%
 - 4 years of 0%
 - Extremely limited layoffs
 - No substantive change within the national marketplace



Where does that leave us?



A Simplified Budget Sheet

** Assumes >\$1B in allocated funds remain unchanged

New Revenue	\$ 18,000,000
Tuition	\$ 12,200,000
State	\$ 5,800,000
New Expenses	\$ 44,500,000
Financial Aid, Mandatory, Misc	\$ 21,300,000
3% Compensation	\$ 23,200,000
Reallocation	\$ -
Surplus/Deficit	\$ (26,500,000)



A Balancing Option

** Salary as the dependent variable

New Revenue	\$ 18,000,000
Tuition	\$ 12,200,000
State	\$ 5,800,000
New Expenses	\$ 21,300,000
Financial Aid, Mandatory, Misc	\$ 21,300,000
0% Compensation	\$ 0
Reallocation	\$ -
Surplus/Deficit	\$ (3,300,000)



What if State Funding Improved?

New Revenue	\$ 23,800,000
Tuition	\$ 12,200,000
State	\$ 11,600,000
New Expenses	\$ 31,300,000
Financial Aid, Mandatory, Misc	\$ 21,300,000
1%+ Compensation	\$ 10,000,000
Reallocation	\$ 7,500,000
Surplus/Deficit	\$ 0



Bottom Line?

- FY25 Proposed: 2.5% state increase; 2.5% tuition increase
- 6 times in the last 2 decades state support increased by 2.5% or less
- In 1 of those 6 years there was a salary increase – supported by a large tuition increase



FY25 Incremental E&G Budget - V.3.1
Colorado State University - Fort Collins
 Thursday, January 25, 2024

<u>Scenario 1</u>		<u>Scenario 2</u>		<u>Scenario 3</u>	
Rate = 2% - RUG		Rate = 4% - RUG		Rate = 2% - RUG	
State = 3.47%		State = 6%		State = 11%	
Salary Inc.		Salary Inc.		Salary Inc.	
FAC/AP/GA - 1%	SC - 3%	FAC/AP/GA - 1%	SC - 3%	FAC/AP/GA - 1%	SC - 3%

1 New Resources

2 Tuition					
3 Enrollment					
4 Increase/Decrease in FTE					
5 Undergraduate ¹	\$ -	\$ -	\$ -	\$ -	
6 Graduate	900,000	900,000	900,000	900,000	
7 Undergraduate Rate Increase					
8 Resident - 2%, 4%, 2%	2,986,000	5,970,000	2,986,000	2,986,000	
9 Non-Resident - 3%, 4%, 3%	5,451,000	7,686,000	5,451,000	5,451,000	
10 Graduate Rate Increase					
11 Resident - 3%, 3%, 3%	492,000	492,000	492,000	492,000	
12 Non-Resident - 3%, 3%, 3%	757,000	757,000	757,000	757,000	
13 Professional Veterinary Medicine Rate Increase	799,000	799,000	799,000	799,000	
14 Differential Tuition	522,000	976,000	522,000	522,000	
15 Total Tuition	\$ 11,907,000	\$ 17,580,000	\$ 11,907,000	\$ 11,907,000	
16 State Funding Impact - FFS	4,227,000	6,498,000	4,227,000	4,227,000	
17 State Funding Impact - VHEC	-	-	-	-	
18 State Funding Impact - SEP	2,611,000	5,222,000	2,611,000	2,611,000	
19 Facilities and Administrative Overhead	1,689,000	1,689,000	1,689,000	1,689,000	
20 Other	-	-	-	-	
21 Total New Resources	\$ 20,434,000	\$ 30,989,000	\$ 20,434,000	\$ 20,434,000	

23 Financial Aid

23 Financial Aid	3,695,000	4,423,000	3,695,000	3,695,000	
24 Net New Resources	\$ 16,739,000	\$ 26,566,000	\$ 16,739,000	\$ 16,739,000	

25 New Expenses

26 Multi-Year Central Investments in Strategic Initiatives	\$ 7,250,000	\$ 7,250,000	\$ 7,250,000	GA fees, student success, rural initiative
27 Faculty/Staff Compensation	15,362,000	15,362,000	15,362,000	Merit raises, market adjustments, step increases, benefits cost increases
28 Academic Incentive Funding	1,154,000	1,608,000	1,154,000	Differential tuition, tuition sharing
29 Mandatory Costs	14,197,000	14,197,000	14,197,000	Bond payments, new facilities, insurance, utilities, library collection
30 Quality Enhancements	2,687,000	2,687,000	2,687,000	Primarily startups, retentions and position modifications
31 Budget Reallocation	(6,000,000)	(6,000,000)	(6,000,000)	2% budget reallocation
32				
33 Total New Expenses	\$ 34,650,000	\$ 35,104,000	\$ 34,650,000	

35 Net New Incremental Budget Resources

35 Net New Incremental Budget Resources	\$ (17,911,000)	\$ (8,538,000)	\$ (3,262,000)	
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36 FY24 Budget Deficit	\$ (2,711,000)	\$ (2,711,000)	\$ (2,711,000)	
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37 Total Base Budget Overage (Shortfall)	\$ (20,622,000)	\$ (11,249,000)	\$ (5,973,000)	
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¹ FA23 enrollment has declined resulting in a \$2M revenue shortfall. Enrollments will be monitored over the course of the academic year. This assumes the same level of enrollment as budgeted in FY2024.

1% RUG Increase = student share \$103/yr.
 1% Increase NRUG = student share \$310.55/yr.

1% RUG Increase = \$1.5M
 1% NRUG Increase = \$1.6M
 1% Salary Increase = \$5.3M
 (\$4.5M Fac/AP; \$580K SC; \$237K GA)

Base Assumptions

Resident Undergraduate 4%, \$412/yr.
 Non-Resident Undergraduate 4%; \$1,242/yr.
 Resident Graduate 3%; \$335/yr. and Resident Professional Veterinary Medicine 3%; \$1,137/yr.
 Non-Resident Graduate 3%; \$821/yr. and Non-Resident Professional Veterinary Medicine 2%; \$1,225/yr.
 Differential Tuition - UG ~ 4% (est. round to whole number)
 Salary Increases Faculty/AP - Merit -1%
 Salary Increases SC - 3%
 Salary Increases Grads - 1%
 Reductions - 2%
 Preliminary Mandatory Student Fees - TBD