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

New State Funding  
Salary Increase  
Inflation
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

- **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

- **Tuition & Enrollment & Mix**
  - Major increases
  - Facility Bond Payments
  - Tuition “Runway”
  - Growth Model
Where does that leave us?
A Simplified Budget Sheet
** Assumes >$1B in allocated funds remain unchanged

<table>
<thead>
<tr>
<th>New Revenue</th>
<th>$ 18,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition</td>
<td>$ 12,200,000</td>
</tr>
<tr>
<td>State</td>
<td>$ 5,800,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>New Expenses</th>
<th>$ 44,500,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Aid, Mandatory, Misc</td>
<td>$ 21,300,000</td>
</tr>
<tr>
<td>3% Compensation</td>
<td>$ 23,200,000</td>
</tr>
</tbody>
</table>

| Reallocation                                     | $ -          |

| Surplus/Deficit                                  | $ (26,500,000) |
## A Balancing Option

**Salary as the dependent variable**

<table>
<thead>
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<th><strong>New Revenue</strong></th>
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<tr>
<th><strong>New Expenses</strong></th>
<th><strong>$ 21,300,000</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Aid, Mandatory, Misc</td>
<td>$ 21,300,000</td>
</tr>
<tr>
<td>0% Compensation</td>
<td>$ 0</td>
</tr>
</tbody>
</table>

| **ReAllocation** | $ -              |

| **Surplus/Deficit** | **$ (3,300,000)** |
What if State Funding Improved?

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
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<td><strong>New Revenue</strong></td>
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</tr>
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<td>Tuition</td>
<td>$ 12,200,000</td>
</tr>
<tr>
<td>State</td>
<td>$ 11,600,000</td>
</tr>
<tr>
<td><strong>New Expenses</strong></td>
<td>$ 31,300,000</td>
</tr>
<tr>
<td>Financial Aid, Mandatory, Misc</td>
<td>$ 21,300,000</td>
</tr>
<tr>
<td>1%+ Compensation</td>
<td>$ 10,000,000</td>
</tr>
<tr>
<td><strong>Reallocation</strong></td>
<td>$ 7,500,000</td>
</tr>
<tr>
<td><strong>Surplus/Deficit</strong></td>
<td>$ 0</td>
</tr>
</tbody>
</table>
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
<table>
<thead>
<tr>
<th>Scenario 1</th>
<th>Scenario 2</th>
<th>Scenario 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate = 2% - RUG</td>
<td>Rate = 4% - RUG</td>
<td>Rate = 2% - RUG</td>
</tr>
<tr>
<td>Salary Inc.</td>
<td>Salary Inc.</td>
<td>Salary Inc.</td>
</tr>
<tr>
<td>FAC/AP/GA - 1%</td>
<td>FAC/AP/GA - 1%</td>
<td>FAC/AP/GA - 1%</td>
</tr>
<tr>
<td>SC - 3%</td>
<td>SC - 3%</td>
<td>SC - 3%</td>
</tr>
</tbody>
</table>

1. **New Resources**
   
2. **Tuition**
   
3. **Enrollment**
   
4. Increase/Decrease in FTE
   
5. Undergraduate $ | $ | $ | $ |
   
   Graduate | $ | $ | $ |

6. **Graduate Rate Increase**
   
7. Resident - 2%, 4%, 2% | 2,986,000 | 5,970,000 | 2,986,000 |
   
   Non-Resident - 3%, 4%, 3% | 5,451,000 | 7,686,000 | 5,451,000 |

8. **Graduate Rate Increase**
   
9. Resident - 3%, 3%, 3% | 492,000 | 492,000 | 492,000 |
   
   Non-Resident - 3%, 3%, 3% | 757,000 | 757,000 | 757,000 |
   
   Professional Veterinary Medicine Rate Increase | 799,000 | 799,000 | 799,000 |

10. **Differential Tuition**
    
11. Total Tuition | $11,907,000 | $17,580,000 | $11,907,000 |

16. State Funding Impact - FFS | 4,227,000 | 6,498,000 | 11,912,000 |

17. State Funding Impact - VHEC | $

18. State Funding Impact - SEP | 2,611,000 | 5,222,000 | 9,575,000 |

19. Facilities and Administrative Overhead | 1,689,000 | 1,689,000 | 1,689,000 |

20. Other | $ | $ | $ |

21. **Total New Resources** | $20,434,000 | $30,989,000 | $35,083,000 |

22. **Financial Aid**
    
23. 3,695,000 | 4,423,000 | 3,695,000 |

24. **Net New Resources** | $16,739,000 | $26,566,000 | $31,388,000 |

25. **New Expenses**
    
26. Multi-Year Central Investments in Strategic Initiatives | 7,250,000 | 7,250,000 | 7,250,000 |

27. Academic Incentive Funding | 15,362,000 | 15,362,000 | 15,362,000 |

28. Mandatory Costs | 1,154,000 | 1,154,000 | 1,154,000 |

29. Quality Enhancements | 2,687,000 | 2,687,000 | 2,687,000 |

30. Budget Reallocation | (6,000,000) | (6,000,000) | (6,000,000) |

31. **Total New Expenses** | $34,650,000 | $35,104,000 | $34,650,000 |

32. **Net New Incremental Budget Resources** | ($17,911,000) | ($8,538,000) | ($3,262,000) |

33. **FY24 Budget Deficit** | ($2,711,000) | ($2,711,000) | ($2,711,000) |

34. **Total Base Budget Overage (Shortfall)** | ($20,622,000) | ($11,249,000) | ($5,973,000) |

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

1. **New Resources**

2. **Tuition**

3. **Enrollment**

4. Increase/Decrease in FTE

5. Undergraduate $ | $ | $ | $ |

   Graduate | $ | $ | $ |

6. **Graduate Rate Increase**

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---

FY23 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% NRUG Increase = student share $310.55/yr.

1% Salary Increase = $5.3M

($4.5M Fac/AP; $580K SC; $237K GA)

Base Assumptions

Resident Undergraduate 4%; Student Success, rural initiative

Non-Resident Undergraduate 4%; GA fees

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