

V2 Budget Forum

December 2024

What budget are we talking about?

Historical & Incremental Budget

- Incremental budget versions presented to the BOG
- Campus transparency presentations (retreats and forums) based on FY23-24
- FY25 annual budget for next year

Budget Model Redesign

- New budget structure for years beyond FY25
- Campus engagement process this fall

Budget System (Questica)

- New technology system
- Will support the data, process and reporting of the incremental budget and future budget model

Funding Types

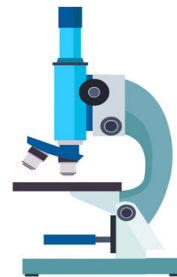
Unrestricted

54%



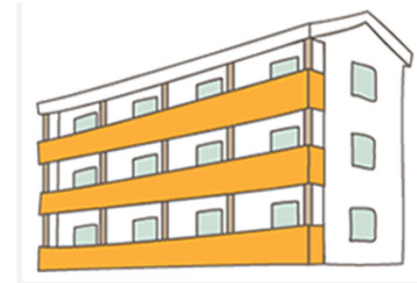
Restricted

25%

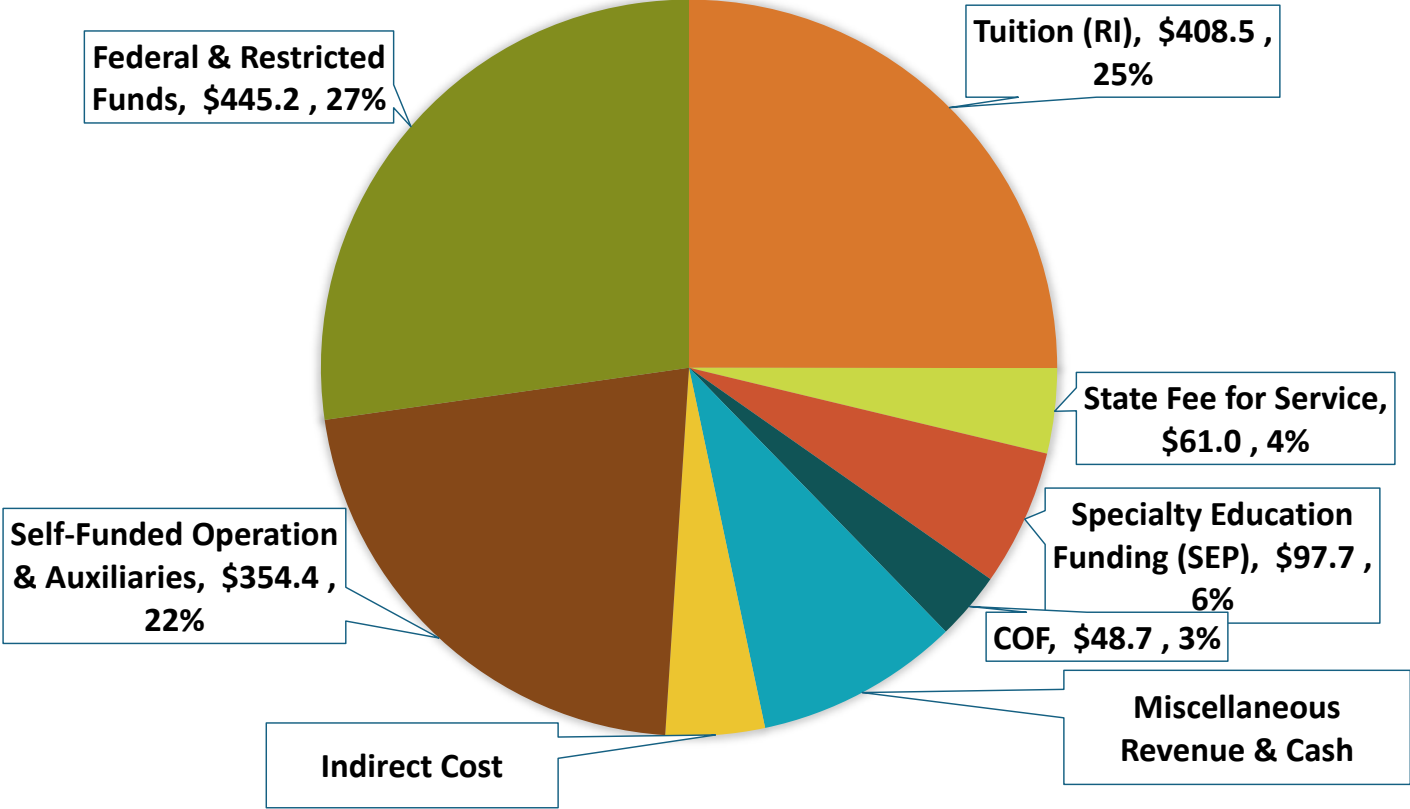


Auxiliary

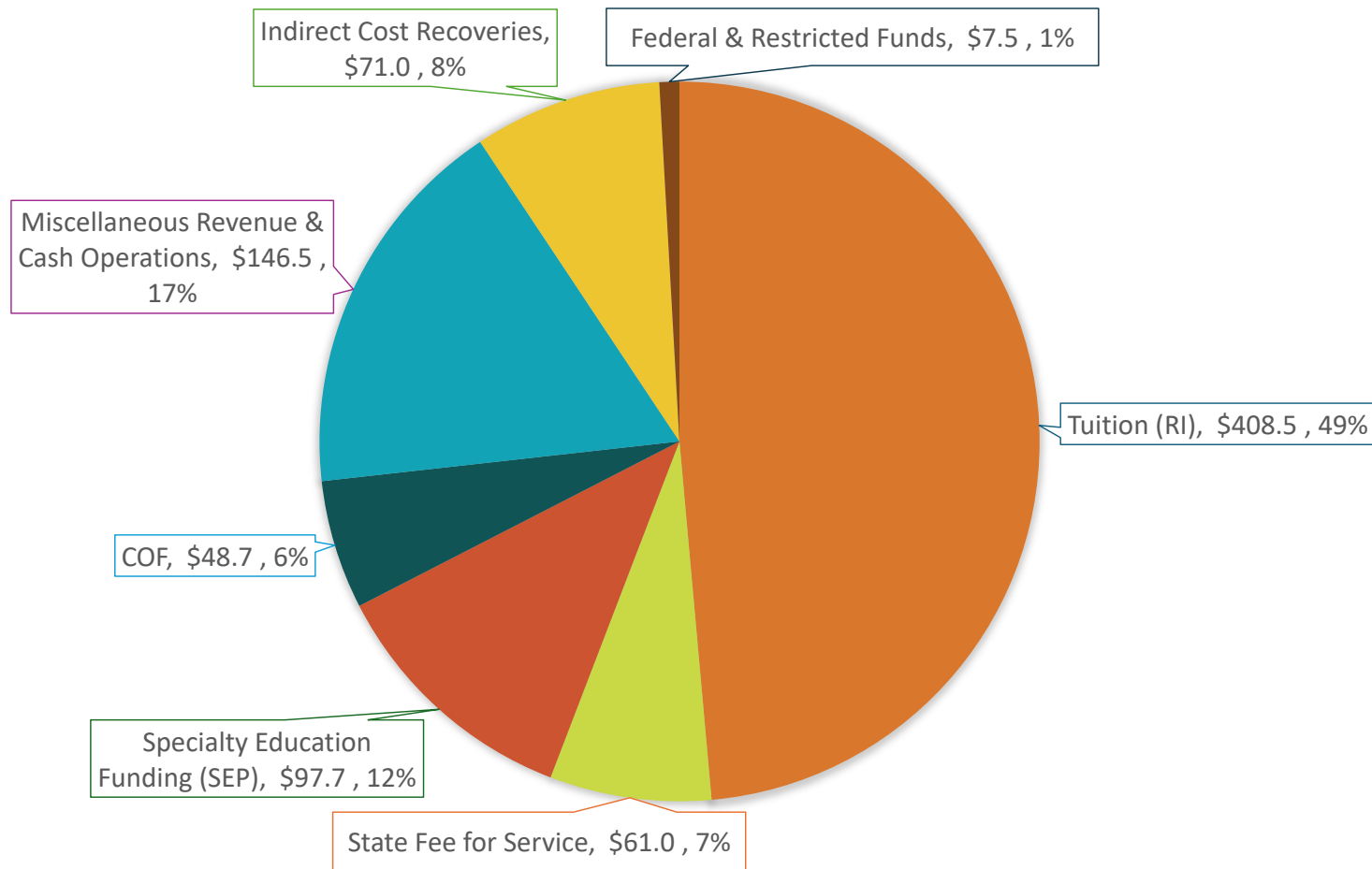
21%



FY25 Operating Revenue Budget \$1.633B



FY25 E&G Revenue Budget \$840.9M

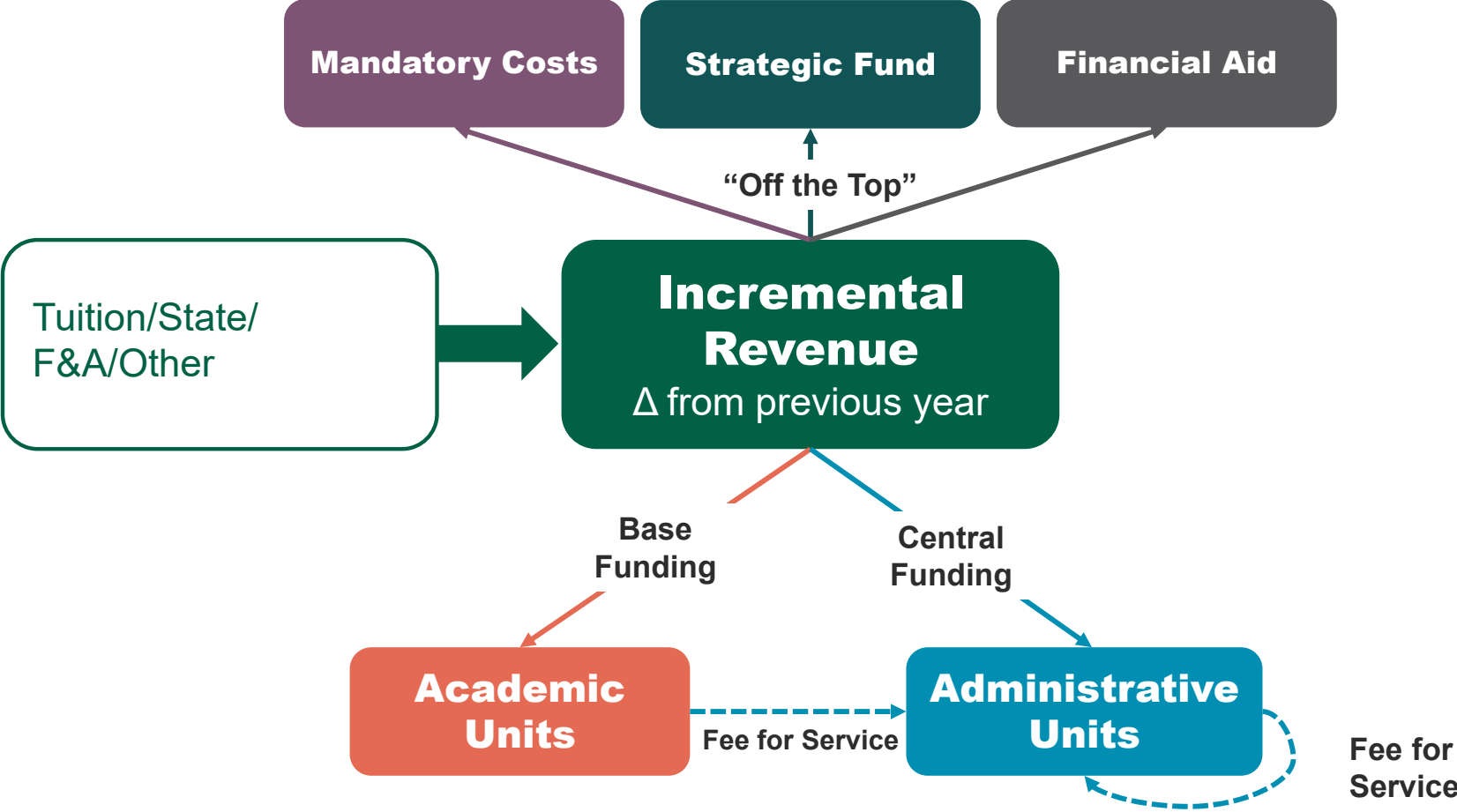


V2.0 FY26 Budget

December 2024



Incremental Budget Structure



Updates from V1.0

- Governor's Proposed budget for Higher Education – Flat year over year
- Resident Undergrad Tuition Rate – 2.3%
- Non-Resident Undergrad Tuition Rate – 2.4% recommendation

FY26 Incremental E&G Budget - V.2.0
Colorado State University - Fort Collins
Wednesday, November 20, 2024

<u>Scenario 1</u>	<u>Scenario 2</u>	<u>Scenario 3</u>
Rate = 3% RUG	Rate = 5% RUG	Rate = 5% RUG
State = 0%	State = 2%	State = 7.5%
Salary Inc. = 3%	Salary Inc. = 3%	Salary Inc. = 3%

1 New Resources

2 Tuition

3 Enrollment

4 Increase/Decrease in FTE

5 Undergraduate

\$ 8,208,000 \$ 8,208,000 \$ 8,208,000

6 Graduate

900,000 900,000 900,000

7 Undergraduate Rate Increase

8 Resident - 3%, 5%

4,606,000 7,676,000 7,676,000

9 Non-Resident - 4%

7,670,000 8,356,000 8,356,000

10 Graduate Rate Increase

11 Resident - 3%

507,000 507,000 507,000

12 Non-Resident - 3%

807,000 807,000 807,000

13 Professional Veterinary Medicine Rate Increase - 2%

608,000 608,000 608,000

14 Differential Tuition

1,392,000 1,638,000 1,638,000

15 Total Tuition

\$ 24,698,000 \$ 28,700,000 \$ 28,700,000

16 State Funding Impact - FFS

(2,500,000) (305,000) 5,730,000

17 State Funding Impact - SEP

- 1,954,000 7,326,000

18 Facilities and Administrative Overhead

1,530,000 1,530,000 1,530,000

19 Other

(1,000,000) (1,000,000) (1,000,000)

20 Total New Resources

\$ 22,728,000 \$ 30,879,000 \$ 42,286,000

21

22 Financial Aid

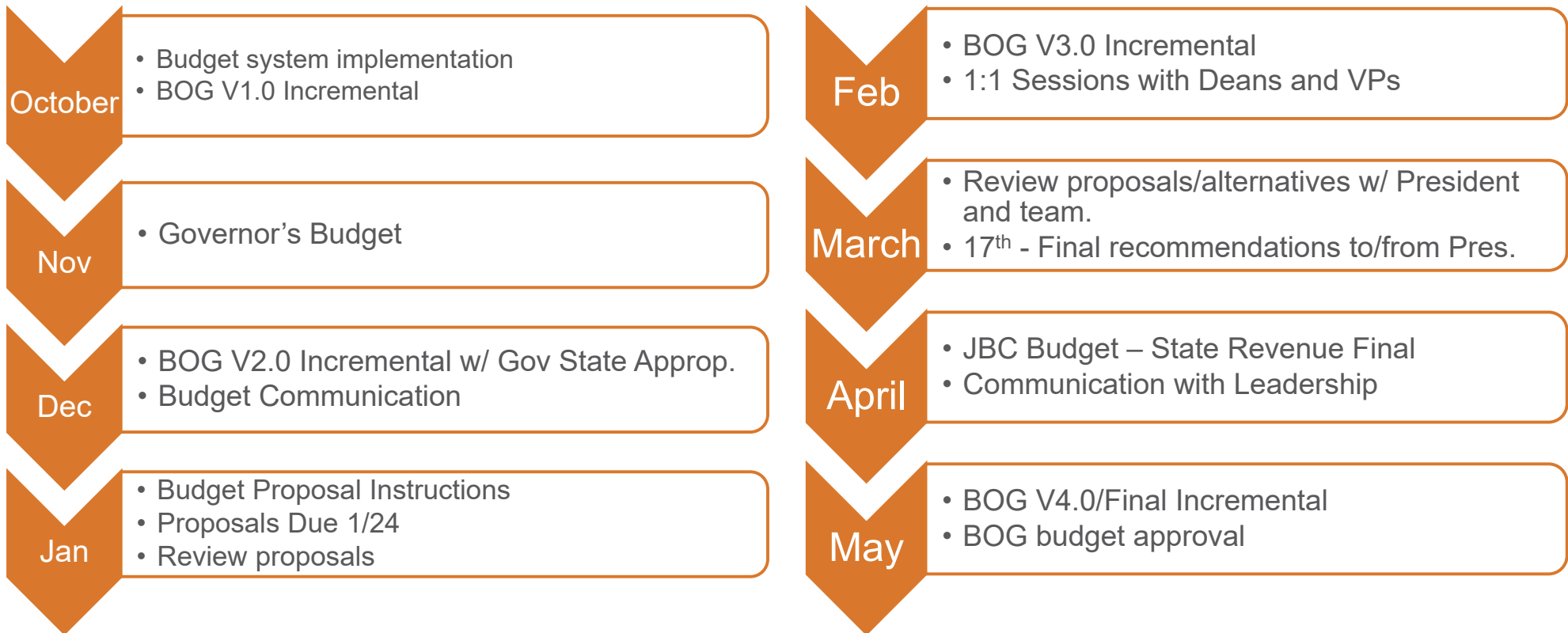
8,035,000 8,694,000 8,694,000

23 Net New Resources

\$ 14,693,000 \$ 22,185,000 \$ 33,592,000

24	New Expenses			
25	Multi-Year Central Investments in Strategic Initiatives	\$ 12,760,000	\$ 12,760,000	\$ 12,760,000
26	Faculty/Staff Compensation	17,700,000	17,700,000	17,700,000
	Average Merit Raises - Faculty/AP/GA's	14,465,000	14,465,000	14,465,000
	Average SC ATB + Step Increases	1,835,000	1,835,000	1,835,000
	Promotion and Tenure Track (TT) + COVID Retro	1,000,000	1,000,000	1,000,000
	Promotion - Contract Cont. Adjunct Faculty (CCAF)	400,000	400,000	400,000
	Market Competitiveness	-	-	-
27	Academic Incentive Funding	1,792,000	2,039,000	2,039,000
28	Mandatory Costs	6,523,000	6,523,000	6,523,000
29	Quality Enhancements	3,387,000	3,387,000	3,387,000
30	Budget Reallocation	-	-	-
31				
32	Total New Expenses	\$ 42,162,000	\$ 42,409,000	\$ 42,409,000
33				
34	Net New Incremental Budget Resources	\$ (27,469,000)	\$ (20,224,000)	\$ (8,817,000)
35	Total Base Budget Overage (Shortfall)	\$ (27,469,000)	\$ (20,224,000)	\$ (8,817,000)

FY25 Budget Development Calendar*



*Budget model redesign meetings will be taking place during this period.

Presidential Priorities

Budget proposals should be focused on advancing our shared priorities stated in the Fall Address by the President:

- Student Success
- World class academic and research programs
- Institutional competitiveness
- Outreach and impact around the state and world
- Strengthen our democracy

For each proposal, a primary priority should be assigned to demonstrate alignment with these priorities.

Next Steps

- Budget Reallocation Targets – 3%, 5%, 7% levels
- The new budget model will ask campus to review areas of the budget systemically. We have an opportunity to develop these workflows before the model begins.
 - Administrative overhead
 - Management span of control
 - Low/declining enrollment areas
 - University centers
- These areas would be reviewed as part of our 1:1 review session in February but are not a mandate to propose budget savings.
- Instructions will be distributed to campus early January

Questions
