

# Budget Update

October V1.0 Budget Update

---

October 2025

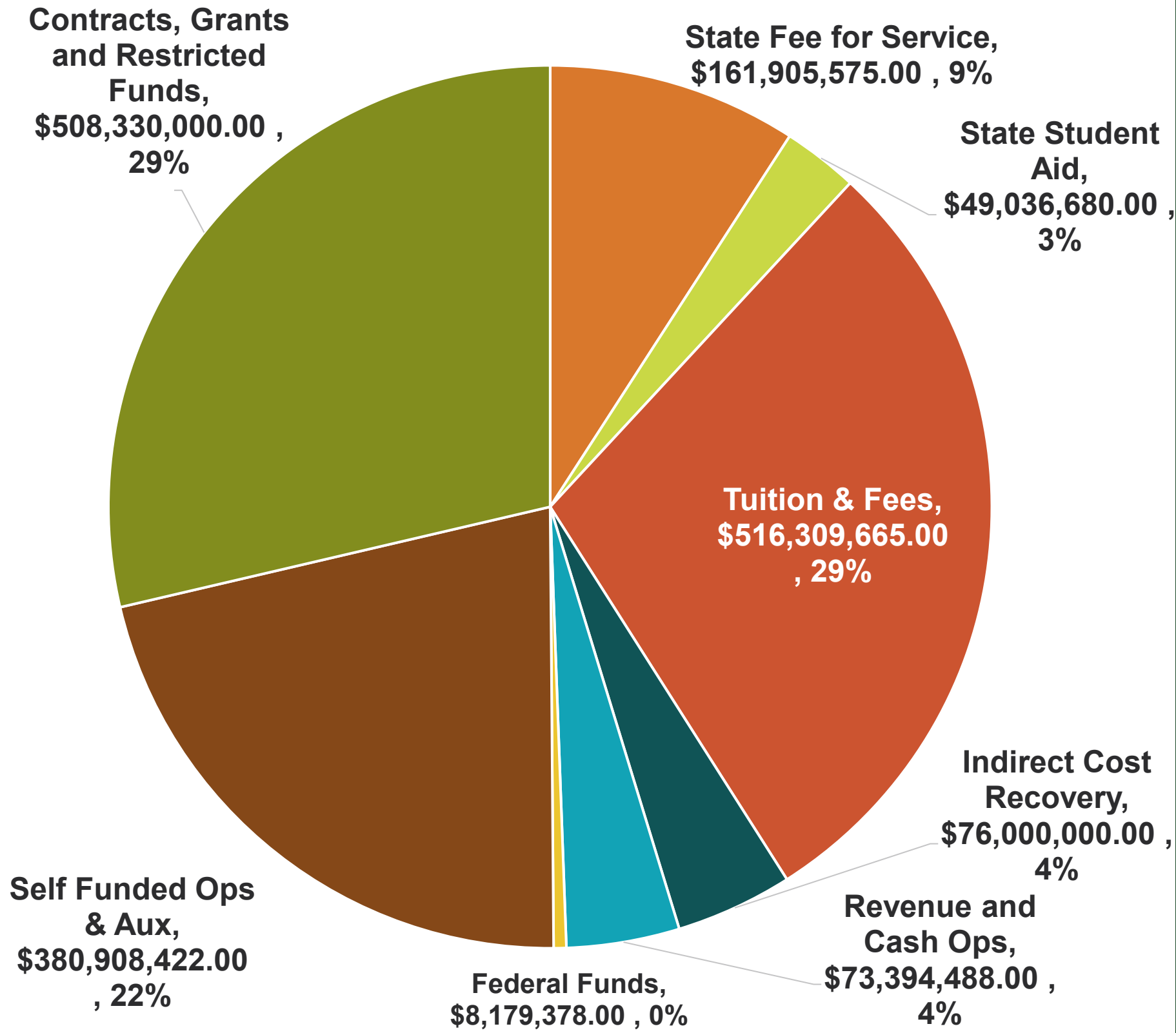


Colorado State University



# FY25-26 Financial Overview

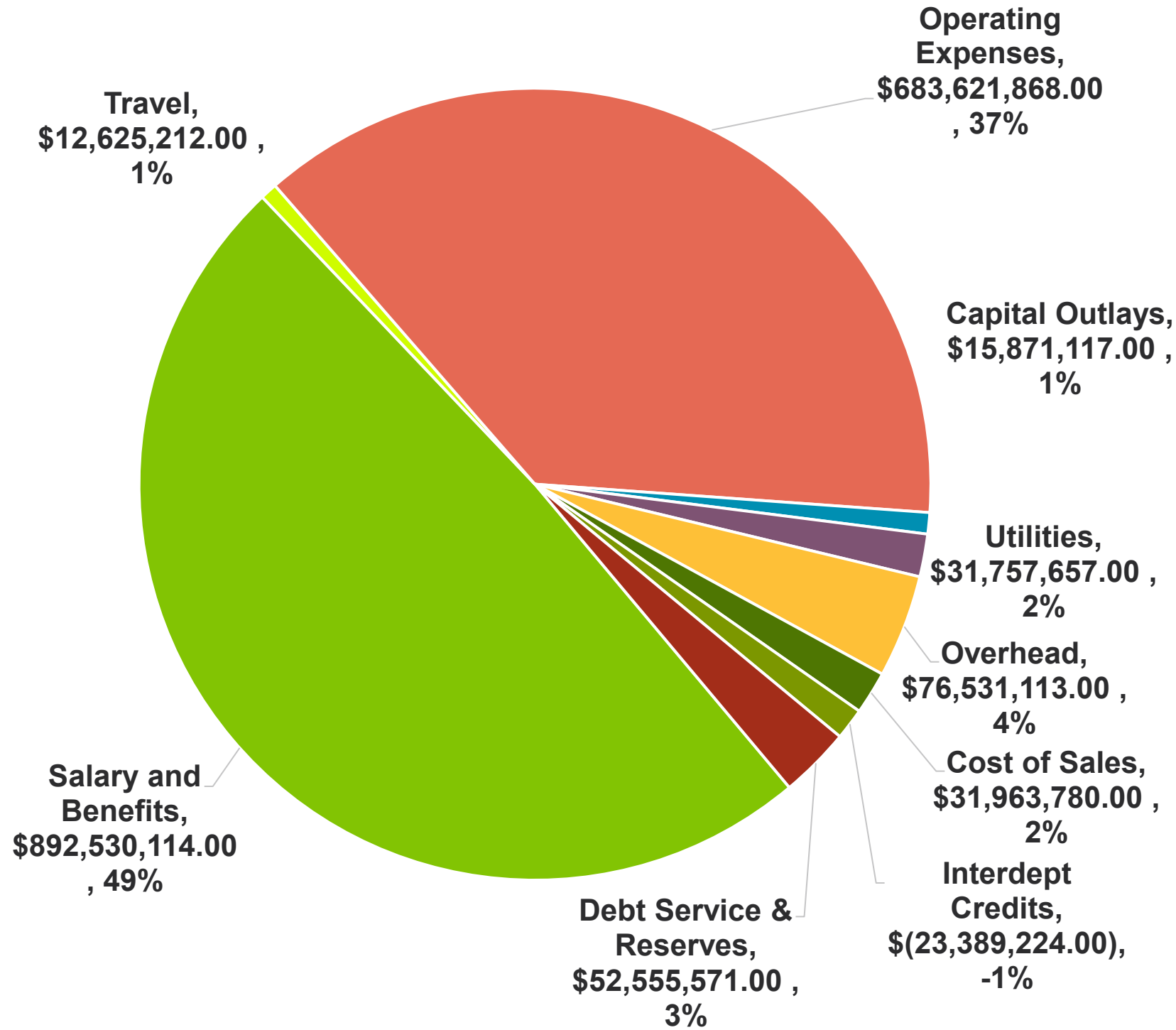
125,058	154,568	95,054	124,500
125,487	56,845	97,511	125,000
124,000	110,000	99,011	154,000
105,450	150,000	99,216	95,000
86,502	35,000	101,090	154,200
	83,000	101,684	110,000
	45,000	101,962	89,000
		102,747	50,000
			68,000
			123,000



Where the Money Comes From

**FY 2026 \$1.7B**



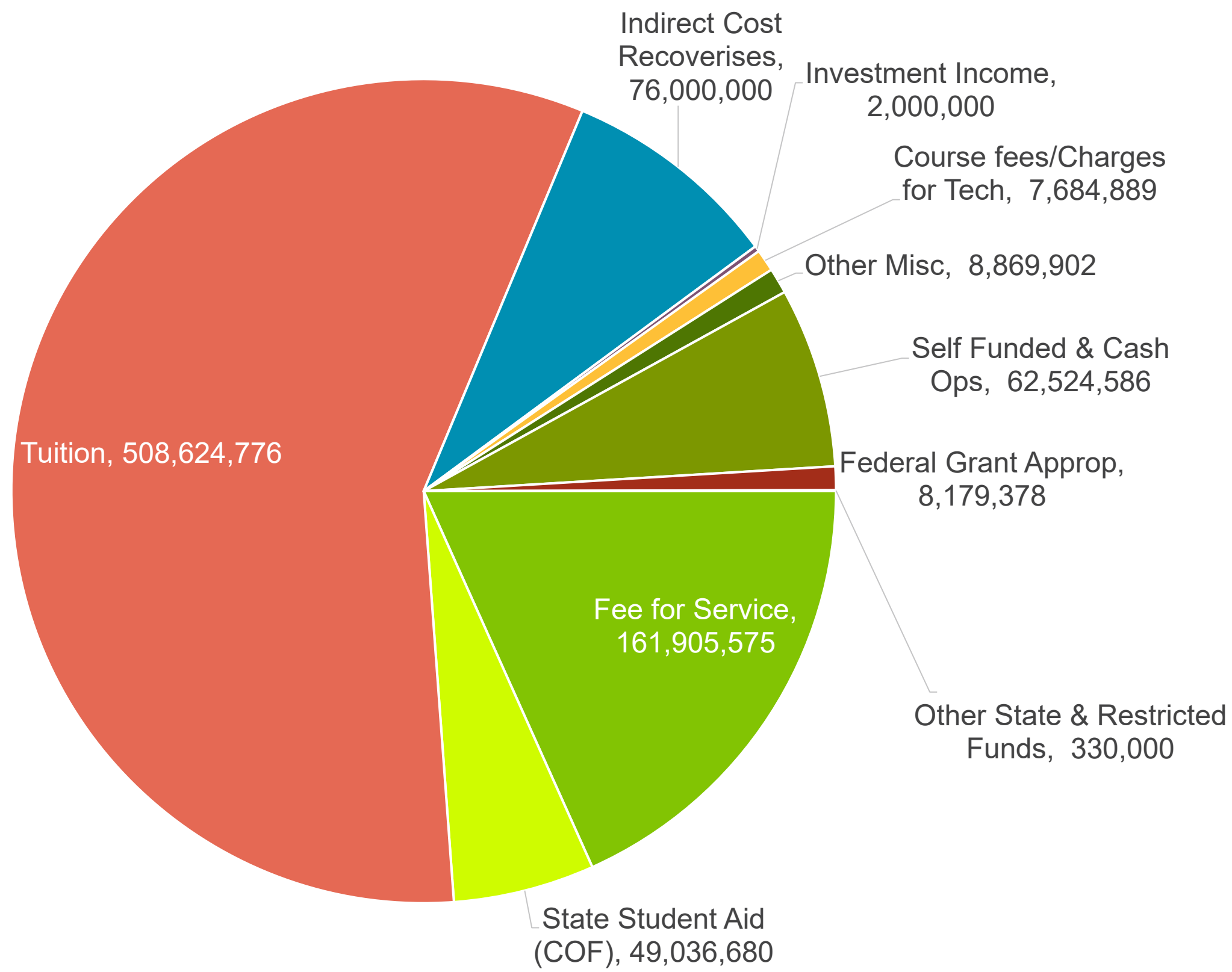


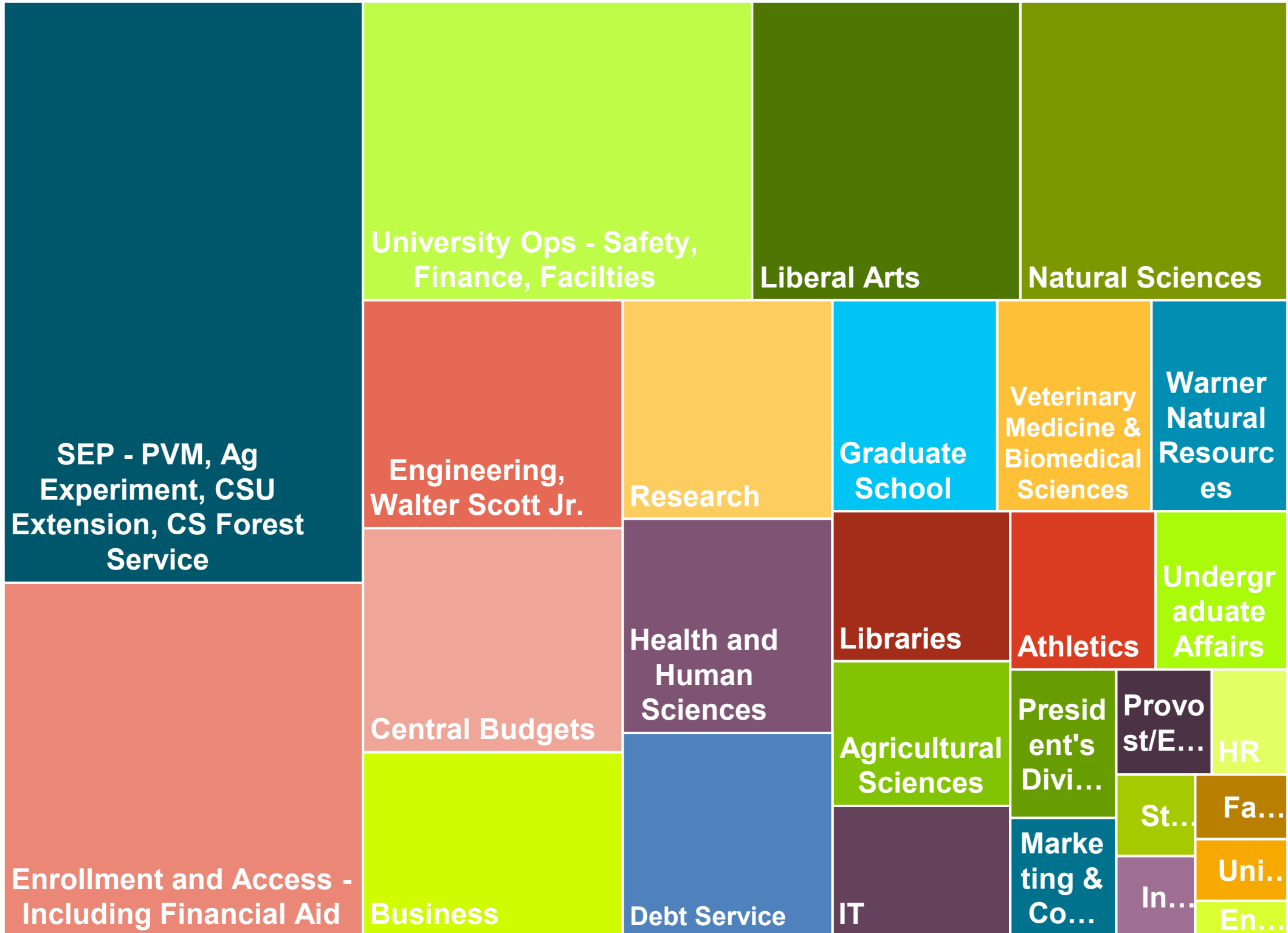
# Where the Money Goes

**(FY 26 - Total Institutional Budget - \$1.7B)**

# State Appropriated Funds

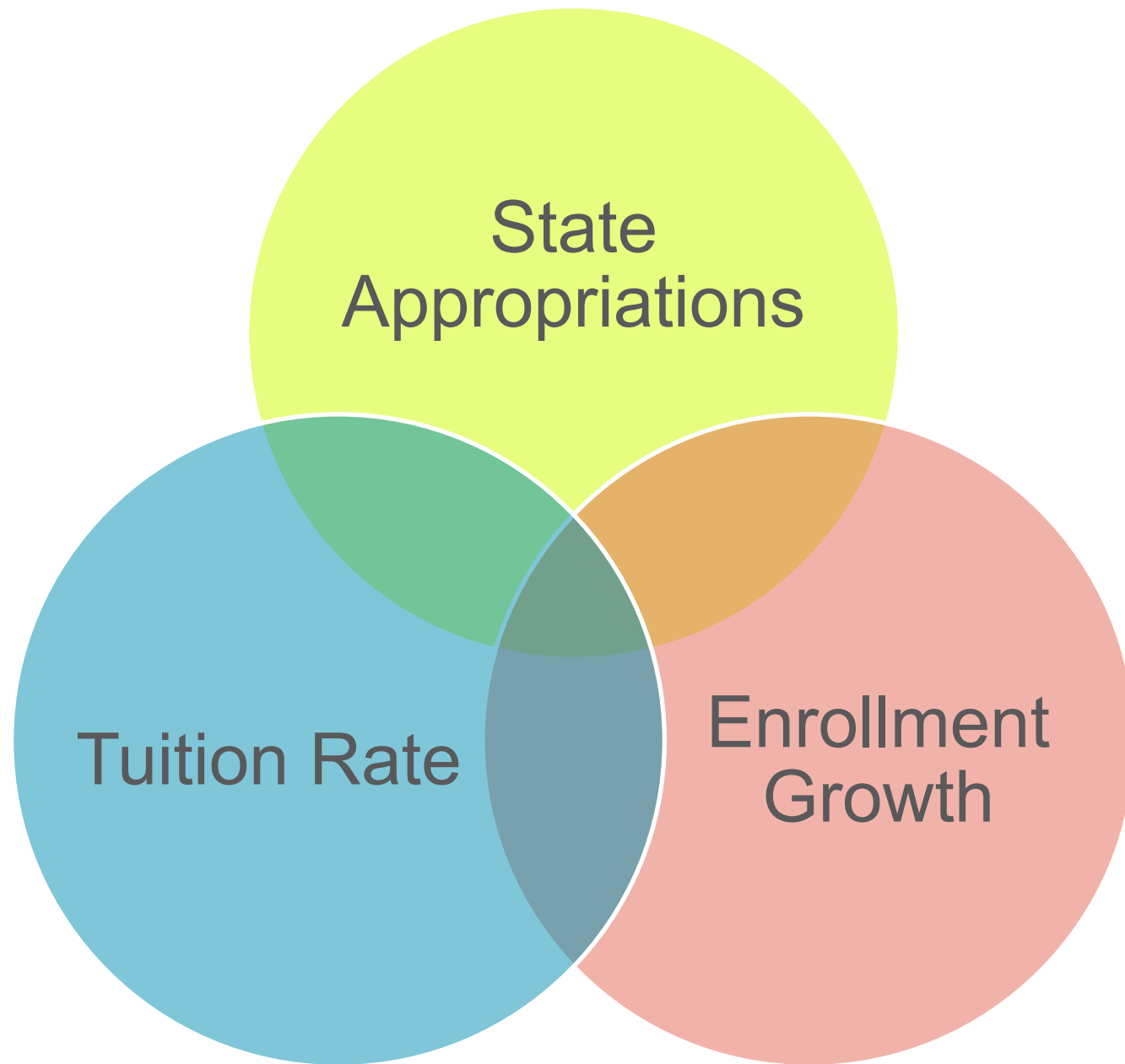
FY25-26:  
\$885M





# Where the Money Goes

**(FY26 State Approp. Budget Summary \$885m)**



## Primary Revenue Structures

Each revenue stream impacts the others:

- Tuition rate increases can slow the growth or reduce enrollment.
- State appropriation increases can offset the need to increase tuition rate increases and promote enrollment growth
- Enrollment growth can make up for lower state appropriation and reduce the need to increase tuition rates.

# CSU Budget FY26-27

Version 1.0

---



Colorado State University

•**State Context:** Colorado faces a **\$750M shortfall** due to federal HB 1. Governor's plan includes **tax credit eliminations, \$325M reserve drawdown, and targeted cuts.**

•**Higher Ed Impact:** \$12M statewide reduction; **CSU System share = \$2M** (FY26 cut and ongoing base cut in FY27).

•**CSU Response:** One-time **System Treasury funds** will cover \$2M this year, allowing time for **strategic base reductions** before FY27.

## FY26 State Budget Update

# Version 1.0 Notes

- Governor's Budget is due November 1.
  - The State may be facing a budget gap greater than \$1B depending on the tools they used to close the FY26 gap created by HB1.
- FY26 state budget cuts are permanent and assumed in the base.
- Expenses are forecast with reason but are conservative.
- Year 2 of the BOG mental health initiative is included along with basing in the rural and student success initiatives.
- Compensation is estimated at 0%, 1% and 3% based on the stress of the scenario.

# Sources

	<u>Scenario 1</u>	<u>Scenario 2</u>	<u>Scenario 3</u>
	Rate = 5% RUG State = -5%	Rate = 3% RUG State = 1%	Rate = 3% RUG State = 1%
	Salary Inc. FAC/AP 0%, SC 3.1%	Salary Inc. FAC/AP 1%, SC 3.1%	Salary Inc. FAC/AP 3%, SC 3.1%
1 New Resources			
2 Tuition			
3 Enrollment			
4 Increase/Decrease in FTE			
5 Undergraduate	\$ (6,840,000)	\$ (6,840,000)	\$ (6,840,000)
6 Graduate	(3,947,000)	(3,947,000)	(3,947,000)
7 Undergraduate Rate Increase			
8 Resident - 5%, 3%	8,016,000	4,810,000	4,810,000
9 Non-Resident - 4%, 4%	8,912,000	8,912,000	8,912,000
10 Graduate Rate Increase			
11 Resident - 3%	525,000	525,000	525,000
12 Non-Resident - 3%	858,000	858,000	858,000
13 Professional Veterinary Medicine Rate Increase - 3%	1,936,000	1,936,000	1,936,000
14 Differential Tuition	1,308,000	1,308,000	1,308,000
15 Total Tuition	\$ 10,768,000	\$ 7,562,000	\$ 7,562,000
16 State Funding Impact - FFS	(8,310,000)	(1,626,000)	(1,626,000)
17 State Funding Impact - SEP	(4,974,000)	995,000	995,000
18 Board Prioritized Programming Funding (Yr. 2)	1,240,000	1,240,000	1,240,000
19 Facilities and Administrative Overhead	-	-	-
20 Other	-	-	-
21 Total New Resources	\$ (1,276,000)	\$ 8,171,000	\$ 8,171,000

# Uses

## 25 New Expenses

26	Multi-Year Central Investments in Strategic Initiatives	\$ 10,866,000	\$ 10,866,000	\$ 10,866,000	GA fees, student success, rural initiative
27	Faculty/Staff Compensation	3,207,000	8,208,000	18,210,000	ATB Raises SC, promotion TTF and CCAF
28	Academic Incentive Funding	2,766,000	2,766,000	2,766,000	Differential tuition, tuition sharing
29	Mandatory Costs	9,925,000	9,925,000	9,925,000	Bond payments, new facilities, insurance, utilities, library collection
30	Quality Enhancements	1,285,000	1,285,000	1,285,000	Primarily startups, retentions and position modifications
31	Board Prioritized Programming Funding	1,240,000	1,240,000	1,240,000	

32 Budget Reduction

33 **Total New Expenses** \$ 29,289,000 \$ 34,290,000 \$ 44,292,000

34

35 **Net New Incremental Budget Resources** \$ (37,577,000) \$ (32,442,000) \$ (42,444,000)

36 **Total Base Budget Overage (Shortfall)** \$ (37,577,000) \$ (32,442,000) \$ (42,444,000)

1% RUG Increase = student share \$110/yr.  
1% Increase NRUG = student share \$335.89/yr.

1% RUG Increase = \$1.6M  
1% NRUG Increase = \$1.8M  
1% Salary Increase = \$5.5M  
((\$4.7M Fac/AP; \$535K SC; \$251K GA)

### Base Assumptions

Resident Undergraduate 5%; \$549/yr, 3%; \$329/yr.

Non-Resident Undergraduate 4%; \$1,343.57/yr.

Resident Graduate 3%; \$355/yr. and Resident Professional Veterinary Medicine 3%; \$1,183/yr.

Non-Resident Graduate 3%; \$871/yr. and Non-Resident Professional Veterinary Medicine 3%; \$1,912/yr.

Differential Tuition - UG ~ 3% (est. round to whole number)

Salary Increases Faculty/AP/Grads - 0%, 1%

Salary Increases SC - 3.1% ATB

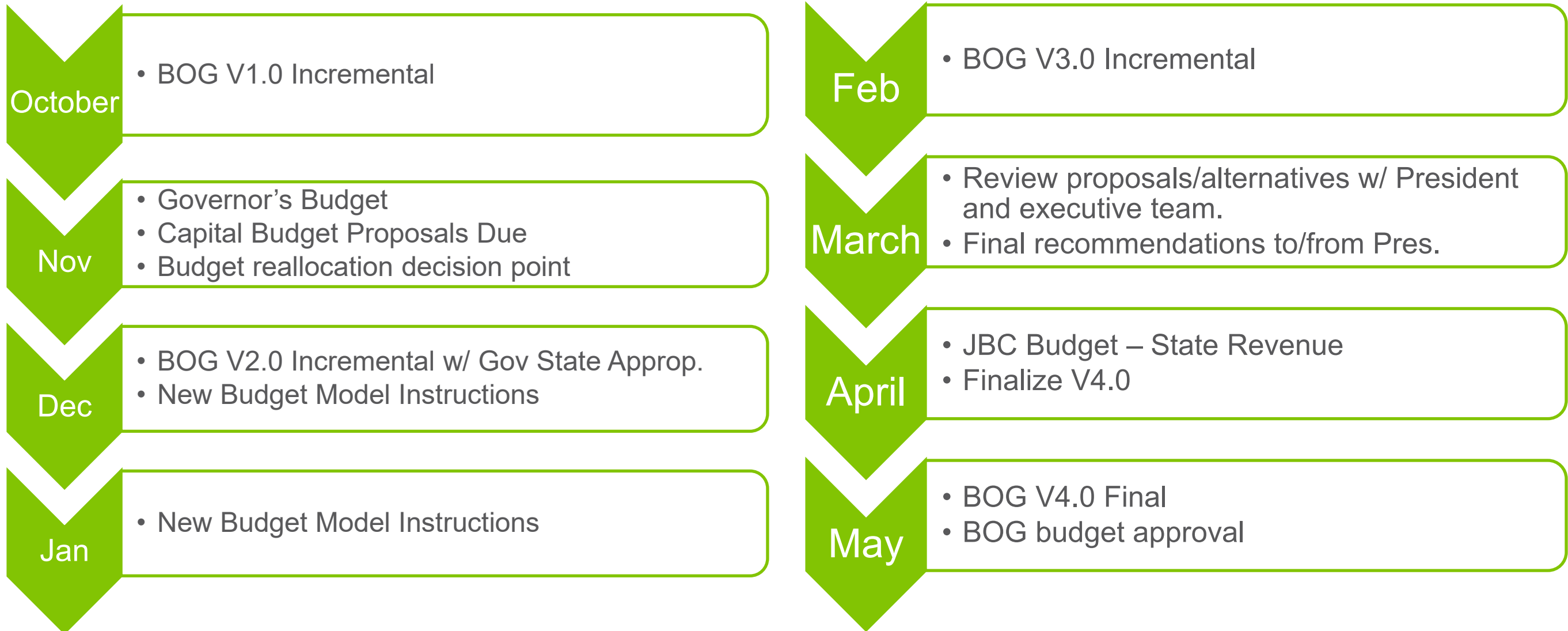
Reductions - TBD

Mandatory Student Fees - TBD

# Take Aways

- Enrollment growth was strong but the composition of enrollment changed.
- Enrollment reserves can still be used.
- We don't have certain data yet but all indications are that this will be a challenging budget year.
- We have not released the budget model instructions to administer the FY27 budget.
- The economic forecast and the governor's budget will give us a better sense of the budget challenges we face.

# FY25 Budget Development Calendar\*



- The hiring chill process remains in effect.
  - Limit hiring to essential roles.
- Suspend or defer discretionary spending wherever possible.
- Restricted programs (e.g., grants, donor-funded initiatives) must continue to meet obligations, but all other units should reduce nonessential costs.
- Responsible financial decisions at every level will help CSU maintain strategic flexibility and protect our mission.

## Guidance for Units



# Questions