

# Section 9

## *Audit and Finance Committee*

**BOARD OF GOVERNORS OF THE  
COLORADO STATE UNIVERSITY SYSTEM  
AUDIT and FINANCE COMMITTEE MEETING AGENDA  
February 2024**

**Finance**

1. State Budget Update
2. FY 2024 2nd Quarter Financial Statements
3. Campus Budget Updates
4. Board of Governors Strategic Investment Fund
5. System Treasury Update

**Audit**

6. Internal Auditing Dashboard and Status of FY 2023-2024 Audit Plan
7. Review of Audit Reports Issued
8. Past Due Audit Recommendations

# Finance Committee



# State Budget Update

## Verbal Update



# FY24 Quarterly Financials



Colorado State University System  
 Financial Statement Highlights  
 FY 23-24, 2<sup>nd</sup> Quarter

**BACKGROUND:**

Statements Included:

1. CSU System, **GAAP Financial Statements**, Statement of Revenues, Expenses and Changes in Net Position
2. CSU System, **Excluding Pension/OPEB Adjustment**, Statement of Revenues, Expenses and Changes in Net Position
3. **CSU**, Excluding Pension/OPEB Adjustment, Statement of Revenues, Expenses and Changes in Net Position
4. **CSU Board of Governors**, Excluding Pension/OPEB Adjustment, Statement of Revenues, Expenses and Changes in Net Position
5. **CSU Global**, Excluding Pension/OPEB Adjustment, Statement of Revenues, Expenses and Changes in Net Position
6. **CSU Pueblo**, Excluding Pension/OPEB Adjustment, Statement of Revenues, Expenses and Changes in Net Position

Data included within each Statement:

1. Actual result of operations for prior two (2) fiscal years,
2. Current Fiscal Year Original Budget,
3. Current Fiscal Year YTD Budget for Quarter
4. Current Fiscal Year TTD Actual for Quarter
5. Dollar (\$) and Percent (%) Variances

**HIGHLIGHTS – Notable Variances – Quarter TD Budget vs Actual:**

CSU System, **Excluding Pension/OPEB Adjustment**, Statement of Revenues, Expenses and Changes in Net Position

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**CSU**, Excluding Pension/OPEB Adjustment, Statement of Revenues, Expenses and Changes in Net Position

- Student Tuition and Fees of \$273.0 million in Q2 of FY24 is a \$13.4 million increase over the same quarter in FY23
- Sales and Services of Educational Activities revenue increased \$3.4 million over Q2 last year primarily due to increases of \$3.2M in other sales educational activities and \$162K in Educational activities
- Instruction expenses of \$196.3M in Q2 of FY24 is an increase of \$19.7M over the same quarter last year as a result of \$14.1M increase in compensation and \$5.5M increase in general expenses
- Unrealized Gain (Loss) on Investments for Q2 is negative \$15.5 million due to market conditions, which have improved since Q1, but are still under the budgeted forecast of \$4.0M

- Gift revenue increased \$4.7M over the same quarter last year primarily due to \$1.2M in the Lucy & Friends Pet/CT equipment fund, \$519K in VP Operations, \$409K in Nutrien Agricultural Sciences Strategic Initiatives, \$488K in Kari and Kelsey's fund, \$265K in the Center for New Energy Economy Program and \$320K in CSUF student support fund

**CSU Global**, Excluding Pension/OPEB Adjustment, Statement of Revenues, Expenses and Changes in Net Position

- YTD operating revenues in Q2 of FY24 were \$39.6M versus budgeted revenues of \$43.6M due to lower than budgeted enrollment and a one-time program that did not come to fruition
- YTD operating expenses in Q2 of FY24 were \$38.1M versus budgeted expenses of \$47.1M due to lower than budgeted enrollment and a reduction in overall expenses, including marketing
- As a result, YTD income (loss) before other revenues in Q2 of FY24 was \$8.0M compared to budgeted income (loss) before other revenues of \$1.5M

**CSU Pueblo**, Excluding Pension/OPEB Adjustment, Statement of Revenues, Expenses and Changes in Net Position

- State appropriated funds increased \$1M in FY24 to support the mission of the ICR
- Due to tuition revenue from fall being down 4.0%, the monitoring of revenues and expenses will continue throughout the year and additional reductions in spending may be necessary

Colorado State University System							
GAAP Financial Statements							
Statement of Revenues, Expenses and Changes in Net Position							
Three Year Trend							
	FY 2022*	FY 2023	FY 2024	FY 2024	FY 2024	\$	%
	Actual	Actual	Original Budget	YTD Budget Q2	Q2	Variance	Variance
<b>Operating revenues</b>							
Student tuition and fees	\$ 585,894,446	589,250,169	607,808,006	316,397,544	320,024,506	3,626,962	1.1%
State fee for service revenue	140,151,805	153,790,796	170,221,297	85,110,648	85,110,648	-	-
Grants and contracts	403,795,778	438,534,043	457,663,506	209,496,037	212,623,363	3,127,326	1.5%
Sales and services of educational activities	51,763,053	52,019,683	54,647,019	27,095,449	27,602,208	506,759	1.9%
Auxiliary enterprises	193,848,994	218,496,832	227,440,878	109,259,744	109,091,622	(168,123)	-0.2%
Other operating revenue	15,197,988	17,560,972	25,481,318	12,944,679	9,850,335	(3,094,344)	-23.9%
<b>Total operating revenues</b>	<b>1,390,652,064</b>	<b>1,469,652,495</b>	<b>1,543,262,023</b>	<b>760,304,101</b>	<b>764,302,682</b>	<b>3,998,580</b>	<b>0.5%</b>
<b>Operating expenses</b>							
Instruction	346,779,110	422,216,997	424,124,334	218,629,506	218,434,562	194,944	0.1%
Research	227,999,014	274,158,616	278,901,678	134,918,406	136,092,805	(1,174,399)	-0.9%
Public service	156,240,928	190,392,459	197,312,076	89,163,254	89,059,530	103,724	0.1%
Academic support	111,329,118	145,915,176	150,475,868	68,927,886	67,801,445	1,126,441	1.6%
Student services	64,130,766	77,272,066	87,662,701	42,841,942	37,449,767	5,392,175	12.6%
Institutional support	85,373,879	118,428,198	112,961,644	61,707,223	62,305,024	(597,802)	-1.0%
Operation and maintenance of plant	83,594,829	122,732,373	128,353,640	59,344,053	58,562,288	781,764	1.3%
Scholarships and fellowships	71,456,092	41,836,359	48,466,957	27,440,264	27,809,744	(369,480)	-1.3%
Auxiliary enterprises	153,481,752	190,195,830	194,326,168	102,020,026	101,749,074	270,952	0.3%
Depreciation	119,772,629	128,107,490	135,061,272	65,246,526	65,455,048	(208,523)	-0.3%
<b>Total operating expenses</b>	<b>1,420,158,117</b>	<b>1,711,255,563</b>	<b>1,757,646,337</b>	<b>870,239,085</b>	<b>864,719,288</b>	<b>5,519,797</b>	<b>0.6%</b>
Operating Income (Loss)	(29,506,053)	(241,603,067)	(214,384,313)	(109,934,983)	(100,416,606)	9,518,377	-8.7%
<b>Non-operating revenues (expenses)</b>							
State appropriations	10,798,364	19,249,912	22,865,830	18,718,000	18,718,428	428	-
Gifts	59,994,699	83,290,951	76,165,035	35,589,625	35,593,003	3,377	0.0%
Investment income	7,870,449	18,266,307	8,950,000	11,779,663	12,174,439	394,776	3.4%
Unrealized gain (loss) on investments	(85,640,664)	23,784,903	6,050,000	(15,527,206)	(18,416,478)	(2,889,273)	18.6%
Realized gain (loss) on investments	-	10,000,000	22,000,000	21,711,500	25,166,000	3,454,500	15.9%
Interest expense on capital debt	(45,509,379)	(65,701,766)	(50,037,255)	(22,749,653)	(24,934,730)	(2,185,077)	-
Federal nonoperating grants and contracts	112,118,865	44,004,122	46,710,892	23,813,000	24,245,517	432,517	1.8%
State support for PERA pension	3,770,749	9,652,649	6,733,546	-	-	-	-
Other nonoperating revenues (expenses)	37,557,633	17,433,899	14,892,784	6,619,000	7,348,384	729,384	11.0%
<b>Net nonoperating revenues</b>	<b>100,960,716</b>	<b>159,980,976</b>	<b>154,330,832</b>	<b>79,953,930</b>	<b>79,894,562</b>	<b>(59,368)</b>	<b>-0.1%</b>
Income (Loss) Before other revenues	71,454,663	(81,622,091)	(60,053,482)	(29,981,053)	(20,522,044)	9,459,010	-31.5%
<b>Other revenues (expenses)</b>							
Student facility fees	14,438,173	14,259,975	14,446,826	7,647,000	7,646,226	(774)	-
State capital contributions	95,550,496	23,321,607	56,835,741	11,894,551	11,938,225	43,674	-
Capital grants	10,093,737	13,654,319	7,895,285	4,381,954	4,381,337	(616)	-
Capital gifts	6,400,264	12,444,984	13,940,276	4,516,175	4,516,059	(116)	0.0%
Payments (to)/from governing boards or other institutions	1,405,817	15,505,901	12,045,910	(2,406,500)	1,390,263	3,796,763	-157.8%
Reserve transfers within the CSU System	-	-	-	-	-	-	-
System transfers for scoop and toss bond payments	-	-	-	-	-	-	-
Additions to permanent endowments	(731,485)	1,020,895	1,819,307	-	-	-	-
<b>Total other revenues</b>	<b>127,157,002</b>	<b>80,207,681</b>	<b>106,983,345</b>	<b>26,033,179</b>	<b>29,872,110</b>	<b>3,838,931</b>	<b>14.7%</b>
<b>Increase (decrease) in net position</b>	<b>\$ 198,611,665</b>	<b>(1,414,410)</b>	<b>46,929,864</b>	<b>(3,947,874)</b>	<b>9,350,066</b>	<b>13,297,941</b>	<b>-336.8%</b>

\*Restated due to implementation of GASB 96



Colorado State University System							
Excluding Pension/OPEB Adjustment							
Statement of Revenues, Expenses and Changes in Net Position							
Three Year Trend							
	FY 2022*	FY 2023	FY 2024	FY 2024	FY 2024	\$	%
	Actual	Actual	Original Budget	YTD Budget Q2	Q2	Variance	Variance
<b>Operating revenues</b>							
Student tuition and fees	\$ 585,894,446	589,250,169	607,808,006	316,397,544	320,024,506	3,626,962	1.1%
State fee for service revenue	140,151,805	153,790,796	170,221,297	85,110,648	85,110,648	-	-
Grants and contracts	403,795,778	438,534,043	457,663,506	209,496,037	212,623,363	3,127,326	1.5%
Sales and services of educational activities	51,763,053	52,019,683	54,647,019	27,095,449	27,602,208	506,759	1.9%
Auxiliary enterprises	193,848,994	218,496,832	227,440,878	109,259,744	109,091,622	(168,123)	-0.2%
Other operating revenue	15,197,988	17,560,972	25,481,318	12,944,679	9,850,335	(3,094,344)	-23.9%
<b>Total operating revenues</b>	<b>1,390,652,064</b>	<b>1,469,652,495</b>	<b>1,543,262,023</b>	<b>760,304,101</b>	<b>764,302,682</b>	<b>3,998,580</b>	<b>0.5%</b>
<b>Operating expenses</b>							
Instruction	370,866,747	406,451,678	424,124,334	218,629,506	218,434,562	194,944	0.1%
Research	239,120,460	267,249,100	278,901,678	134,918,406	136,092,805	(1,174,399)	-0.9%
Public service	161,540,979	187,428,830	197,312,076	89,163,254	89,059,530	103,724	0.1%
Academic support	121,422,644	141,536,660	150,475,868	68,927,886	67,801,445	1,126,441	1.6%
Student services	67,532,659	76,195,820	87,662,701	42,841,942	37,449,767	5,392,175	12.6%
Institutional support	93,971,407	109,908,337	112,961,644	61,707,223	62,305,024	(597,802)	-1.0%
Operation and maintenance of plant	92,870,577	122,415,276	128,353,640	59,344,053	58,562,288	781,764	1.3%
Scholarships and fellowships	71,566,928	41,758,140	48,466,957	27,440,264	27,809,744	(369,480)	-1.3%
Auxiliary enterprises	163,760,740	187,433,583	194,326,168	102,020,026	101,749,074	270,952	0.3%
Depreciation	119,772,629	128,107,490	135,061,272	65,246,526	65,455,048	(208,523)	-0.3%
<b>Total operating expenses</b>	<b>1,502,425,769</b>	<b>1,668,484,914</b>	<b>1,757,646,337</b>	<b>870,239,085</b>	<b>864,719,288</b>	<b>5,519,797</b>	<b>0.6%</b>
Operating Income (Loss)	(111,773,705)	(198,832,419)	(214,384,313)	(109,934,983)	(100,416,606)	9,518,377	-8.7%
<b>Non-operating revenues (expenses)</b>							
State appropriations	10,798,364	19,249,912	22,865,830	18,718,000	18,718,428	428	-
Gifts	59,994,699	83,290,951	76,165,035	35,589,625	35,593,003	3,377	0.0%
Investment income	7,870,449	18,266,307	8,950,000	11,779,663	12,174,439	394,776	3.4%
Unrealized gain (loss) on investments	(85,640,664)	23,784,903	6,050,000	(15,527,206)	(18,416,478)	(2,889,273)	18.6%
Realized gain (loss) on investments	-	10,000,000	22,000,000	21,711,500	25,166,000	3,454,500	15.9%
Interest expense on capital debt	(45,509,379)	(65,701,766)	(50,037,255)	(22,749,653)	(24,934,730)	(2,185,077)	-
Federal nonoperating grants and contracts	112,118,865	44,004,122	46,710,892	23,813,000	24,245,517	432,517	1.8%
State support for PERA pension	3,770,749	9,652,649	6,733,546	-	-	-	-
Other nonoperating revenues (expenses)	37,557,633	17,433,899	14,892,784	6,619,000	7,348,384	729,384	11.0%
<b>Net nonoperating revenues</b>	<b>100,960,716</b>	<b>159,980,976</b>	<b>154,330,832</b>	<b>79,953,930</b>	<b>79,894,562</b>	<b>(59,368)</b>	<b>-0.1%</b>
Income (Loss) Before other revenues	(10,812,989)	(38,851,442)	(60,053,482)	(29,981,053)	(20,522,044)	9,459,010	-31.5%
<b>Other revenues (expenses)</b>							
Student facility fees	14,438,173	14,259,975	14,446,826	7,647,000	7,646,226	(774)	-
State capital contributions	95,550,496	23,321,607	56,835,741	11,894,551	11,938,225	43,674	-
Capital grants	10,093,737	13,654,319	7,895,285	4,381,954	4,381,337	(616)	-
Capital gifts	6,400,264	12,444,984	13,940,276	4,516,175	4,516,059	(116)	0.0%
Payments (to)/from governing boards or other institutions	1,405,817	15,505,901	12,045,910	(2,406,500)	1,390,263	3,796,763	-157.8%
Reserve transfers within the CSU System	-	-	-	-	-	-	-
System transfers for scoop and toss bond payments	-	-	-	-	-	-	-
Additions to permanent endowments	(731,485)	1,020,895	1,819,307	-	-	-	-
<b>Total other revenues</b>	<b>127,157,002</b>	<b>80,207,681</b>	<b>106,983,345</b>	<b>26,033,179</b>	<b>29,872,110</b>	<b>3,838,931</b>	<b>14.7%</b>
<b>Increase (decrease) in net position</b>	<b>\$ 116,344,013</b>	<b>41,356,238</b>	<b>46,929,864</b>	<b>(3,947,874)</b>	<b>9,350,066</b>	<b>13,297,941</b>	<b>-336.8%</b>
*Restated due to implementation of GASB 96							
<b>Impact of GASB 68/75 on operating expenses</b>	<b>(82,267,652)</b>	<b>42,770,649</b>					
	-	<b>0.00</b>					

Colorado State University							
Excluding Pension/OPEB Adjustment							
Statement of Revenues, Expenses and Changes in Net Position							
Three Year Trend							
	FY 2022*	FY 2023	FY 2024	FY 2024	FY 2024	\$	%
	Actual	Actual	Original Budget	YTD Budget Q2	Q2	Variance	Variance
<b>Operating revenues</b>							
Student tuition and fees	\$ 487,801,542	500,283,607	504,857,411	268,366,898	273,004,353	4,637,455	1.7%
State fee for service revenue	122,536,893	134,927,513	149,502,243	74,751,121	74,751,121	-	-
Grants and contracts	390,729,990	423,142,307	442,663,506	204,815,840	207,937,498	3,121,658	1.5%
Sales and services of educational activities	51,484,633	51,812,411	54,437,019	26,980,449	27,486,801	506,352	1.9%
Auxiliary enterprises	185,285,513	208,474,263	217,440,878	104,029,744	103,860,141	(169,604)	-0.2%
Other operating revenue	6,730,283	7,420,462	7,605,418	4,088,979	4,095,316	6,337	0.2%
<b>Total operating revenues</b>	<b>1,244,568,854</b>	<b>1,326,060,563</b>	<b>1,376,506,474</b>	<b>683,033,032</b>	<b>691,135,231</b>	<b>8,102,199</b>	<b>1.2%</b>
<b>Operating expenses</b>							
Instruction	328,189,505	360,913,320	370,885,398	193,813,486	196,310,357	(2,496,871)	-1.3%
Research	235,883,681	262,059,149	273,901,678	132,765,406	133,939,285	(1,173,879)	-0.9%
Public service	159,358,155	185,195,833	195,112,076	87,998,254	87,831,340	166,914	0.2%
Academic support	106,142,326	125,782,136	133,719,993	60,095,384	60,132,873	(37,489)	-0.1%
Student services	34,790,359	38,892,162	40,734,029	19,261,942	19,220,268	41,674	0.2%
Institutional support	60,846,733	76,332,390	80,107,241	46,606,648	46,858,832	(252,184)	-0.5%
Operation and maintenance of plant	84,915,665	112,015,137	118,033,732	53,837,414	53,056,356	781,058	1.5%
Scholarships and fellowships	49,457,407	29,283,225	34,306,457	20,202,264	20,103,649	98,615	0.5%
Auxiliary enterprises	149,138,880	170,502,203	178,326,168	93,317,876	93,046,973	270,903	0.3%
Depreciation	107,709,618	115,288,448	123,257,204	59,319,492	59,279,628	39,864	0.1%
<b>Total operating expenses</b>	<b>1,316,432,329</b>	<b>1,476,264,002</b>	<b>1,548,383,975</b>	<b>767,218,166</b>	<b>769,779,561</b>	<b>(2,561,395)</b>	<b>-0.3%</b>
Operating Income (Loss)	(71,863,475)	(150,203,439)	(171,877,501)	(84,185,134)	(78,644,331)	5,540,804	-6.6%
<b>Non-operating revenues (expenses)</b>							
State appropriations	10,198,364	16,449,912	19,065,830	18,248,000	18,248,489	489	(0.00)
Gifts	54,497,610	72,698,083	70,765,035	35,236,000	35,235,527	(473)	0
Investment income	5,391,673	12,984,928	8,000,000	8,503,000	8,503,065	65	(0)
Unrealized gain (loss) on investments	(60,771,967)	10,352,578	4,000,000	(15,531,000)	(15,530,721)	280	0
Realized gain (loss) on investments	-	7,605,000	19,500,000	19,179,000	19,178,500	(500)	0
Interest expense on capital debt	(42,221,802)	(61,087,540)	(45,468,399)	(22,715,000)	(22,715,182)	(182)	(0)
Federal nonoperating grants and contracts	78,532,657	27,293,262	28,550,392	14,485,000	14,484,937	(63)	0
State support for PERA pension	3,448,196	8,818,898	6,133,546	-	-	-	-
Other nonoperating revenues (expenses)	37,435,516	17,186,655	14,668,784	6,619,000	6,619,182	182	(0)
<b>Net nonoperating revenues</b>	<b>86,510,246</b>	<b>112,301,776</b>	<b>125,215,188</b>	<b>64,024,000</b>	<b>64,023,798</b>	<b>(202)</b>	<b>(0.00)</b>
Income (Loss) Before other revenues	14,646,771	(37,901,663)	(46,662,313)	(20,161,134)	(14,620,533)	5,540,602	-27.5%
<b>Other revenues (expenses)</b>							
Student facility fees	13,502,646	13,313,689	13,446,826	7,045,000	7,044,641	(359)	(0)
State capital contributions	94,431,612	19,788,873	37,335,741	3,953,000	3,953,313	313	0
Capital grants	10,051,275	13,307,658	7,550,285	4,369,000	4,368,580	(420)	(0)
Capital gifts	6,020,089	12,437,167	13,930,276	4,536,000	4,535,947	(53)	(0)
Payments (to)/from governing boards or other institutions	(5,521,749)	26,051,490	5,994,488	(2,070,000)	(2,069,856)	144	(0)
Reserve transfers within the CSU System	9,750,648	11,523,859	10,189,668	-	-	-	-
System transfers for scoop and toss bond payments	(68,576,851)	(66,992,369)	-	761,287	761,287	-	-
Additions to permanent endowments	(731,485)	1,020,895	1,819,307	-	-	-	-
<b>Total other revenues</b>	<b>58,926,184</b>	<b>30,451,263</b>	<b>90,266,591</b>	<b>18,594,287</b>	<b>18,593,911</b>	<b>(376)</b>	<b>(0.00)</b>
<b>Increase (decrease) in net position</b>	<b>\$ 73,572,956</b>	<b>(7,450,401)</b>	<b>43,604,278</b>	<b>(1,566,847)</b>	<b>3,973,379</b>	<b>5,540,226</b>	<b>-353.6%</b>
*Restated due to implementation of GASB 96	(77,931,927)	42,541,256					
<b>Impact of GASB 68/75 on operating expenses</b>							

Colorado State University - Board of Governors							
Excluding Pension/OPEB Adjustment							
Statement of Revenues, Expenses and Changes in Net Position							
Three Year Trend							
	FY 2022 Actual	FY 2023 Actual	FY 2024 Original Budget	FY 2024 YTD Budget Q2	FY 2024 Q2	\$ Variance	% Variance
<b>Operating revenues</b>							
Student tuition and fees	\$ -	-	-	-	-	-	-
State fee for service revenue	-	-	-	-	-	-	-
Grants and contracts	-	-	-	-	-	-	-
Sales and services of educational activities	-	-	-	-	-	-	-
Auxiliary enterprises	-	-	-	-	-	-	-
Other operating revenue	257,075	366,741	350,000	175,000	57,859	(117,141)	-66.9%
<b>Total operating revenues</b>	<b>257,075</b>	<b>366,741</b>	<b>350,000.00</b>	<b>175,000.00</b>	<b>57,859</b>	<b>(117,141)</b>	<b>-66.9%</b>
<b>Operating expenses</b>							
Instruction	-	-	-	-	-	-	-
Research	-	-	-	-	-	-	-
Public service	149,759	150,215	150,000	75,000	129,749	(54,749)	-73.0%
Academic support	-	-	-	-	-	-	-
Student services	-	-	-	-	-	-	-
Institutional support	14,093,962	14,664,421	14,839,645	7,419,823	8,132,172	(712,350)	-9.6%
Operation and maintenance of plant	-	-	-	-	-	-	-
Scholarships and fellowships	-	-	-	-	-	-	-
Auxiliary enterprises	-	-	-	-	-	-	-
Depreciation	456,776	497,174	504,067	252,034	237,320	14,714	5.8%
<b>Total operating expenses</b>	<b>14,700,497</b>	<b>15,311,810</b>	<b>15,493,712</b>	<b>7,746,856</b>	<b>8,499,241</b>	<b>(752,384)</b>	<b>9.7%</b>
Operating Income (Loss)	(14,443,422)	(14,945,069)	(15,143,712)	(7,571,856)	(8,441,381)	(869,525)	11.5%
<b>Non-operating revenues (expenses)</b>							
State appropriations	-	-	-	-	-	-	-
Gifts	167,731	5,174,500	-	-	-	-	-
Investment income	1,837,357	5,844,026	400,000	2,989,663	2,989,663	-	0.0%
Unrealized gain (loss) on investments	(15,516,554)	9,561,083	2,500,000	3,794	3,794	-	0.0%
Realized gain (loss) on investments	-	1,013,000	2,500,000	2,532,500	2,532,500	-	0.0%
Interest expense on capital debt	(46,079)	(52,666)	(48,000)	(23,829)	(23,829)	-	0.0%
Federal nonoperating grants and contracts	-	-	-	-	-	-	-
State support for PERA pension	40,350	114,339	-	-	-	-	-
Other nonoperating revenues (expenses)	78,839	10,311	-	-	4,363	4,363	-
<b>Net nonoperating revenues</b>	<b>(13,438,356)</b>	<b>21,664,593</b>	<b>5,352,000</b>	<b>5,502,129</b>	<b>5,506,492</b>	<b>4,363</b>	<b>0.1%</b>
Income (Loss) Before other revenues	(27,881,777)	6,719,524	(9,791,712)	(2,069,727)	(2,934,889)	(865,162)	41.8%
<b>Other revenues (expenses)</b>							
Student facility fees	-	-	-	-	-	-	-
State capital contributions	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-
Capital gifts	-	-	-	-	-	-	-
Payments (to)/from governing boards or other institutions	5,855,713	(8,645,901)	3,955,422	1,977,711	5,770,706	3,792,995	191.8%
Reserve transfers within the CSU System	14,787,709	(11,280,435)	(2,575,668)	-	-	-	-
System transfers for scoop and toss bond payments	75,386,198	73,822,986	-	(827,820)	(827,820)	-	0.0%
Additions to permanent endowments	-	-	-	-	-	-	-
<b>Total other revenues</b>	<b>96,029,620</b>	<b>53,896,650</b>	<b>1,379,754</b>	<b>1,149,891</b>	<b>4,942,886</b>	<b>3,792,995</b>	<b>329.9%</b>
<b>Increase (decrease) in net position</b>	<b>\$ 68,147,843</b>	<b>60,616,174</b>	<b>(8,411,958)</b>	<b>(919,836)</b>	<b>2,007,997</b>	<b>2,927,833</b>	<b>-318.3%</b>
<b>Impact of GASB 68/75 on operating expenses</b>	<b>379,094</b>	<b>574,441</b>					

Colorado State University - Global Campus							
Excluding Pension/OPEB Adjustment							
Statement of Revenues, Expenses and Changes in Net Position							
Three Year Trend							
	FY2022*	FY2023	FY 2024	FY 2024	FY 2024	\$	%
	Actual	Actual	Original Budget	YTD Budget Q2	Q2	Variance	Variance
<b>Operating revenues</b>							
Student tuition and fees	\$ 75,025,400	66,725,068	78,950,595	35,090,646	34,089,958	(1,000,689)	-2.9%
State fee for service revenue	-	-	-	-	-	-	-
Grants and contracts	-	-	-	-	-	-	-
Sales and services of educational activities	-	-	-	-	-	-	-
Auxiliary enterprises	-	-	-	-	-	-	-
Other operating revenue	8,040,371	9,703,766	17,310,900	8,466,700	5,482,435	(2,984,265)	-35.2%
<b>Total operating revenues</b>	<b>83,065,771</b>	<b>76,428,833</b>	<b>96,261,495</b>	<b>43,557,346</b>	<b>39,572,393</b>	<b>(3,984,953)</b>	<b>-9.1%</b>
<b>Operating expenses</b>							
Instruction	19,618,525	20,412,217	28,238,936	13,416,020	10,713,802	2,702,218	20.1%
Research	-	-	-	-	-	-	-
Public service	-	-	-	-	-	-	-
Academic support	7,026,174	7,342,469	8,355,875	4,222,502	3,048,835	1,173,667	27.8%
Student services	26,794,530	30,982,167	40,728,672	20,469,500	15,111,203	5,358,297	26.2%
Institutional support	8,010,153	7,897,409	7,014,758	3,630,752	3,239,507	391,245	10.8%
Operation and maintenance of plant	757	-	319,908	159,954	153,525	6,429	4.0%
Scholarships and fellowships	12,232,739	8,611,505	10,160,500	5,028,000	5,477,937	(449,937)	-8.9%
Auxiliary enterprises	-	-	-	-	-	-	-
Depreciation	826,964	906,609	300,000	150,000	362,177	(212,177)	-141.5%
<b>Total operating expenses</b>	<b>74,509,842</b>	<b>76,152,376</b>	<b>95,118,649</b>	<b>47,076,728</b>	<b>38,106,986</b>	<b>8,969,742</b>	<b>-19.1%</b>
Operating Income (Loss)	8,555,930	276,457	1,142,846	(3,519,382)	1,465,407	4,984,789	-141.6%
<b>Non-operating revenues (expenses)</b>							
State appropriations	-	-	-	-	-	-	-
Gifts	-	-	-	-	-	-	-
Investment income	332,972	(724,975)	-	-	393,742	393,742	-
Unrealized gain (loss) on investments	(8,370,408)	4,304,058	-	-	(2,889,552)	(2,889,552)	-
Realized gain (loss) on investments	-	1,382,000	-	-	3,455,000	3,455,000	-
Interest expense on capital debt	(25,144)	(33,944)	(20,856)	(10,824)	(13,465)	(2,641)	24.4%
Federal nonoperating grants and contracts	12,232,739	8,611,505	10,160,500	5,028,000	5,495,213	467,213	9.3%
State support for PERA pension	19,379	47,168	-	-	-	-	-
Other nonoperating revenues (expenses)	(126,192)	12,802	-	-	53,136	53,136	-
<b>Net nonoperating revenues</b>	<b>4,063,347</b>	<b>13,598,613</b>	<b>10,139,644</b>	<b>5,017,176</b>	<b>6,494,073</b>	<b>1,476,897</b>	<b>29.4%</b>
Income (Loss) Before other revenues	12,619,277	13,875,071	11,282,490	1,497,794	7,959,480	6,461,686	431.4%
<b>Other revenues (expenses)</b>							
Student facility fees	-	-	-	-	-	-	-
State capital contributions	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-
Capital gifts	-	-	-	-	-	-	-
Payments (to)/from governing boards or other institutions	(863,142)	(1,211,346)	(804,000)	(402,000)	(398,376)	3,624	-0.9%
Reserve transfers within the CSU System	(36,945,000)	(12,500,000)	(12,500,000)	-	-	-	-
System transfers for scoop and toss bond payments	-	-	-	-	-	-	-
Additions to permanent endowments	-	-	-	-	-	-	-
<b>Total other revenues</b>	<b>(37,808,142)</b>	<b>(13,711,346)</b>	<b>(13,304,000)</b>	<b>(402,000)</b>	<b>(398,376)</b>	<b>3,624</b>	<b>-0.9%</b>
<b>Increase (decrease) in net position</b>	<b>\$ (25,188,865)</b>	<b>163,725</b>	<b>(2,021,510)</b>	<b>1,095,794</b>	<b>7,561,104</b>	<b>6,465,310</b>	<b>590.0%</b>
*Restated due to implementation of GASB 96	(731,839)	(312,151)					
<b>Impact of GASB 68/75 on operating expenses</b>							

Colorado State University Pueblo							
Excluding Pension/OPEB Adjustment							
Statement of Revenues, Expenses and Changes in Net Position							
Three Year Trend							
	FY2022*	FY2023	FY 2024	FY 2024	FY 2024	\$	%
	Actual	Actual	Original Budget	YTD Budget Q2	Q2	Variance	Variance
<b>Operating revenues</b>							
Student tuition and fees	\$ 23,067,504	22,241,495	24,000,000	12,940,000	12,930,195	(9,805)	-0.1%
State fee for service revenue	17,614,912	18,863,283	20,719,054	10,359,527	10,359,527	-	0.0%
Grants and contracts	13,065,788	15,391,736	15,000,000	4,680,197	4,685,865	5,668	0.1%
Sales and services of educational activities	278,419	207,272	210,000	115,000	115,406	406	0.4%
Auxiliary enterprises	8,563,481	10,022,569	10,000,000	5,230,000	5,231,481	1,481	0.0%
Other operating revenue	170,259	70,003	215,000	214,000	214,725	725	0.3%
<b>Total operating revenues</b>	<b>62,760,363</b>	<b>66,796,358</b>	<b>70,144,054</b>	<b>33,538,724</b>	<b>33,537,199</b>	<b>(1,525)</b>	<b>0.0%</b>
<b>Operating expenses</b>							
Instruction	23,058,717	25,126,141	25,000,000	11,400,000	11,410,403	(10,403)	-0.1%
Research	3,236,778	5,189,951	5,000,000	2,153,000	2,153,520	(520)	0.0%
Public service	2,033,065	2,082,782	2,050,000	1,090,000	1,098,442	(8,442)	-0.8%
Academic support	8,254,144	8,412,055	8,400,000	4,610,000	4,619,737	(9,737)	-0.2%
Student services	5,947,770	6,321,491	6,200,000	3,110,500	3,118,296	(7,796)	-0.3%
Institutional support	11,020,559	11,014,116	11,000,000	4,050,000	4,074,513	(24,513)	-0.6%
Operation and maintenance of plant	7,954,155	10,400,139	10,000,000	5,346,685	5,352,407	(5,722)	-0.1%
Scholarships and fellowships	9,876,781	3,863,410	4,000,000	2,210,000	2,228,158	(18,158)	-0.8%
Auxiliary enterprises	14,621,861	16,931,380	16,000,000	8,702,150	8,702,101	49	0.0%
Depreciation	10,779,271	11,415,259	11,000,000	5,525,000	5,575,924	(50,924)	-0.9%
<b>Total operating expenses</b>	<b>96,783,102</b>	<b>100,756,726</b>	<b>98,650,000</b>	<b>48,197,335</b>	<b>48,333,500</b>	<b>(136,166)</b>	<b>0.3%</b>
Operating Income (Loss)	(34,022,738)	(33,960,368)	(28,505,946)	(14,658,611)	(14,796,301)	(137,690)	0.9%
<b>Non-operating revenues (expenses)</b>							
State appropriations	600,000	2,800,000	3,800,000	470,000	469,939	(61)	0.0%
Gifts	5,329,358	5,418,368	5,400,000	353,625	357,476	3,851	1.1%
Investment income	308,446	162,328	550,000	287,000	287,968	968	0.3%
Unrealized gain (loss) on investments	(981,735)	(432,816)	(450,000)	-	-	-	-
Realized gain (loss) on investments	-	-	-	-	-	-	-
Interest expense on capital debt	(3,216,354)	(4,527,617)	(4,500,000)	-	(2,182,254)	(2,182,254)	-
Federal nonoperating grants and contracts	21,353,469	8,099,355	8,000,000	4,300,000	4,265,367	(34,633)	-0.8%
State support for PERA pension	262,824	672,243	600,000	-	-	-	-
Other nonoperating revenues (expenses)	169,470	224,131	224,000	-	671,703	671,703	-
<b>Net nonoperating revenues</b>	<b>23,825,479</b>	<b>12,415,994</b>	<b>13,624,000</b>	<b>5,410,625</b>	<b>3,870,199</b>	<b>(1,540,426)</b>	<b>-28.5%</b>
Income (Loss) Before other revenues	(10,197,259)	(21,544,374)	(14,881,946)	(9,247,986)	(10,926,102)	(1,678,116)	18.1%
<b>Other revenues (expenses)</b>							
Student facility fees	935,527	946,286	1,000,000	602,000	601,585	(415)	-0.1%
State capital contributions	1,118,885	3,532,734	19,500,000	7,941,551	7,984,912	43,361	0.5%
Capital grants	42,463	346,661	345,000	12,954	12,757	(196)	-1.5%
Capital gifts	380,175	7,817	10,000	(19,825)	(19,888)	(62)	0.3%
Payments (to)/from governing boards or other institutions	1,934,995	(688,342)	2,900,000	(1,912,211)	(1,912,211)	-	0.0%
Reserve transfers within the CSU System	12,406,643	12,256,576	4,886,000	-	-	-	-
System transfers for scoop and toss bond payments	(6,809,347)	(6,830,617)	-	66,533	66,533	-	0.0%
Additions to permanent endowments	-	-	-	-	-	-	-
<b>Total other revenues</b>	<b>10,009,339</b>	<b>9,571,114</b>	<b>28,641,000</b>	<b>6,691,001</b>	<b>6,733,688</b>	<b>42,687</b>	<b>0.01</b>
<b>Increase (decrease) in net position</b>	<b>\$ (187,921)</b>	<b>(11,973,259)</b>	<b>13,759,054</b>	<b>(2,556,985)</b>	<b>(4,192,413)</b>	<b>(1,635,429)</b>	<b>64.0%</b>
*Restated due to implementation of GASB 96							
<b>Impact of GASB 68/75 on operating expenses</b>	<b>(3,982,981)</b>	<b>(32,897)</b>					



# Campus Budget Scenarios, Enrollment Update and Tuition Discussion



**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 <sup>1</sup>	\$	-	\$	-	\$	-
6 Graduate		900,000		900,000		900,000
7 Undergraduate Rate Increase						
8 Resident - 2%, 4%, 2%		2,986,000		5,970,000		2,986,000
9 Non-Resident - 3%, 4%, 3%		5,451,000		7,686,000		5,451,000
10 Graduate Rate Increase						
11 Resident - 3%, 3%, 3%		492,000		492,000		492,000
12 Non-Resident - 3%, 3%, 3%		757,000		757,000		757,000
13 Professional Veterinary Medicine Rate Increase		799,000		799,000		799,000
14 Differential Tuition		522,000		976,000		522,000
15 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 <b>Total New Resources</b>	<b>\$</b>	<b>20,434,000</b>	<b>\$</b>	<b>30,989,000</b>	<b>\$</b>	<b>35,083,000</b>

**23 Financial Aid**

		3,695,000		4,423,000		3,695,000
24 <b>Net New Resources</b>	<b>\$</b>	<b>16,739,000</b>	<b>\$</b>	<b>26,566,000</b>	<b>\$</b>	<b>31,388,000</b>

**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 <b>Total New Expenses</b>	<b>\$</b>	<b>34,650,000</b>	<b>\$</b>	<b>35,104,000</b>	<b>\$</b>	<b>34,650,000</b>	

**35 Net New Incremental Budget Resources**

	<b>\$</b>	<b>(17,911,000)</b>	<b>\$</b>	<b>(8,538,000)</b>	<b>\$</b>	<b>(3,262,000)</b>
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36 FY24 Budget Deficit	\$	(2,711,000)	\$	(2,711,000)	\$	(2,711,000)
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37 <b>Total Base Budget Overage (Shortfall)</b>	<b>\$</b>	<b>(20,622,000)</b>	<b>\$</b>	<b>(11,249,000)</b>	<b>\$</b>	<b>(5,973,000)</b>
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<sup>1</sup> 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

CSU-Fort Collins Revised Funding Shortfall (Budget)

	Original Budget FY21	Adjusted FY21	Original Budget FY22	Original Budget FY23	Original Budget FY24	Projected Results FY24	4% Tuition FY25 - Incremental
<b>Resources:</b>							
1 Student tuition and fees (Less COF)							
2 Enrollment Growth (UG)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900,000
3 Tuition Rate	-	-	-	-	-	-	16,680,000
4	\$ 403,179,642	\$ 411,985,642	\$ 426,084,644	\$ 447,324,533	\$ 472,193,196	\$ 473,093,000	\$ 17,580,000
5 State fee for service revenue (with COF)							
6 State Funding	\$ 62,803,527	\$ 57,947,681	\$ 160,802,000	\$ 178,077,467	\$ 197,015,495	\$ 197,015,495	\$ 11,720,000
7 CARES (1X)	79,554,679	84,410,525	-	-	-	-	-
8	\$ 142,358,206	\$ 142,358,206	\$ 160,802,000	\$ 178,077,467	\$ 197,015,495	\$ 197,015,495	\$ 11,720,000
9 Grants and contracts							
10 Direct	\$ 308,882,948	\$ 308,882,948	\$ 359,172,000	\$ 384,187,730	\$ 420,512,575	\$ 420,513,000	\$ -
11 Indirect (F&A)	54,000,000	54,000,000	55,000,000	59,000,000	65,000,000	65,000,000	1,689,000
12	\$ 362,882,948	\$ 362,882,948	\$ 414,172,000	\$ 443,187,730	\$ 485,512,575	\$ 485,513,000	\$ 1,689,000
13 Sales and services of educational activities							
14 PVM, AES, CES - Cash Operations	\$ 46,115,152	\$ 46,115,152	\$ 54,682,000	\$ 60,999,257	\$ 62,066,793	\$ 62,067,000	\$ -
15							
16 Auxiliary enterprises							
17 Housing and Dining Services	\$ 48,176,800	\$ 48,176,800	\$ 83,175,000	\$ 90,940,200	\$ 105,757,000	\$ 105,757,000	\$ -
18 Lory Student Center	26,624,500	26,624,500	27,026,000	28,672,800	30,337,300	30,337,000	-
19 Athletics	33,756,740	33,756,740	46,507,000	48,004,883	48,058,633	48,059,000	-
20 Other (CSUHN, Parking, Campus Rec, STUORG)	64,254,555	64,254,555	60,751,000	73,580,118	68,402,351	68,402,000	-
21	\$ 172,812,595	\$ 172,812,595	\$ 217,459,000	\$ 241,198,001	\$ 252,555,284	\$ 252,555,000	\$ -
22 Other operating revenue							
23 Seedling Tree, GENOPS, Continuing Ed	\$ 63,616,006	\$ 63,616,006	\$ 72,430,000	\$ 62,622,300	\$ 65,775,258	\$ 65,775,000	\$ -
24 <b>Total Resources</b>	\$ 1,190,964,549	\$ 1,199,770,549	\$ 1,345,630,000	\$ 1,433,409,000	\$ 1,535,118,601	\$ 1,536,018,495	\$ 30,989,000
25 <b>Expenses:</b>							
26 Total Expenses (includes Financial Aid)	\$ 1,246,783,549	\$ 1,246,783,549	\$ 1,360,532,000	\$ 1,439,279,824	\$ 1,541,912,601	\$ 1,537,830,000	\$ (33,527,000)
COVID Expenses (Screening, testing, contract tracing, quarantine, revenue losses)	-	14,703,813	-	-	-	-	-
28 Permanent Base Reductions/Salary Reinvestment	(17,000,000)	(17,000,000)	(1,998,000)	-	(4,083,000)	-	(6,000,000)
29 System Office Reallocation	(550,000)	(550,000)	-	-	-	-	-
30 <b>Total Expenses</b>	\$ 1,229,233,549	\$ 1,243,937,362	\$ 1,358,534,000	\$ 1,439,279,824	\$ 1,537,829,601	\$ 1,537,830,000	\$ (39,527,000)
31							
32 <b>Net General Fund Impact</b>	\$ (38,269,000)	\$ (44,166,813)	\$ (12,904,000)	\$ (5,870,824)	\$ (2,711,000)	\$ (1,811,505)	\$ (8,538,000)
33							
34 <b>Less: Structural Budget Deficit</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,711,000)
35 <b>Less: One-Time FY21 Resources</b>	-	-	-	-	-	-	-
36 Planned Board Reserve Draw	20,000,000	-	-	-	-	-	-
37 Planned Scoop & Toss Draw	18,269,000	-	-	-	-	-	-
38 HEERF II	-	19,449,668	-	-	-	-	-
39 HEERF III	-	24,717,145	-	-	-	-	-
40	\$ 38,269,000	\$ 44,166,813	\$ -	\$ -	\$ -	\$ -	\$ (2,711,000)
41							
42 <b>Net Shortfall</b>	\$ -	\$ -	\$ (12,904,000)	\$ (5,870,824)	\$ (2,711,000)	\$ (1,811,505)	\$ (11,249,000)





**FY 2025 Incremental E&G Budget - V.3.0**  
**Colorado State University - Pueblo**

January 24, 2024

		Tuition: 2%; State: 3%; Salary inc: 3% ALL	Tuition: 4%; State:6%; Salary inc: 3% ALL	Tuition: 2%; State:11%; Salary inc: 3% ALL
<b>New Resources</b>				
Tuition				
Undergraduate Rate Increase:				
1	Undergraduate Resident Tuition	\$ 347,000	\$ 694,000	\$ 347,000
2	Non-Resident (includes TWOLF & WUE rate)	108,203	216,407	108,203
3	Undergraduate Differential Tuition	25,000	50,000	25,000
Graduate Rate Increase:				
4	Graduate Resident Tuition	\$ 30,723	\$ 61,446	\$ 30,723
5	Non-Resident	5,000	10,000	5,000
6	Graduate Differential Tuition	10,000	20,000	10,000
7	Projected Enrollment Revenue Change (-3%)	(600,000)	(600,000)	(600,000)
8	Total Tuition	<u>(74,000)</u>	<u>452,000</u>	<u>(74,000)</u>
9	State Funding Impact	\$ 803,444	1,606,887	2,945,960
10	Other Resources (estimate)	940,000	940,000	940,000
11	<b>Total New Resources</b>	<b>\$ 1,660,000</b>	<b>\$ 2,990,000</b>	<b>\$ 3,810,000</b>
12	Financial Aid	-	113,000	-
13	<b>Net New Resources</b>	<b>\$ 1,660,000</b>	<b>\$ 2,880,000</b>	<b>\$ 3,810,000</b>
<b>New Expenses</b>				
14	Expense Reduction (savings from compensation management)	-	-	-
15	Faculty/Staff Comp (includes Fac/AP/SC ,fringe & Equity increases)	\$ 1,380,000	1,380,000	1,380,000
16	Mandatory Costs	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
17	<b>Total New Expenses</b>	<b>\$ 2,580,000</b>	<b>\$ 2,580,000</b>	<b>\$ 2,580,000</b>
18	<b>Net Structural Deficit</b>	<b>\$ (900,000)</b>	<b>\$ 300,000</b>	<b>\$ 1,200,000</b>
19	FY24 Budget Shortfall (includes FY24 Incremental Net Change)	\$ (1,000,000)	(1,000,000)	(1,000,000)
20	One-time Budget Resources (EG Fund Balance)	\$ 500,000	\$ 500,000	\$ -
21	<b>Total Base Budget Overage (Shortfall)</b>	<b>\$ (1,400,000)</b>	<b>\$ (200,000)</b>	<b>\$ 200,000</b>

	Original FY22	Adjusted FY22	Original FY23	Adjusted FY23	Original FY24	Projected Results FY24	FY25- Estimate			Est \$ Change FY24 to FY25		
							Tuition: 2%; State: 3%; Salary inc: 3% ALL	Tuition: 4%; State: 6%; Salary inc: 3% ALL	Tuition: 2%; State: 11%; Salary inc: 3% ALL	Tuition: 2%; State: 3%; Salary inc: 3% ALL	Tuition: 4%; State: 6%; Salary inc: 3% ALL	Tuition: 2%; State: 11%; Salary inc: 3% ALL
<b>Resources:</b>												
1 Student Tuition and Fees (less COF) <sup>1</sup>												
2 Enrollment Change (JG & GR)								(600,000)	(600,000)	(600,000)	(600,000)	(600,000)
3 Tuition Rate								525,927	1,051,853	525,927	525,926	1,051,853
4												
5 State Fee for Service Revenue (with COF)												
6 State Funding	22,541,141	22,541,141	24,283,024	24,283,024	26,853,053	26,853,053	27,656,497	28,459,940	29,799,013	803,444	1,606,887	2,945,960
7 CARES/HEERF (1X) <sup>2</sup>												
8 FFS (1X) <sup>2</sup>												
9												
10 Sales and Services of Educational Activities												
11 Fee Revenue (transcripts other processing fees)	550,000	550,000	550,000	320,000	320,000	320,000	320,000	320,000	320,000	-	-	-
12 Auxiliary Enterprises												
13 Housing and Dining Services	4,939,156	4,939,156	4,939,156	4,840,315	4,840,315	4,840,315	4,840,315	4,840,315	4,840,315	-	-	-
14 Ochiato Student Center	148,000	148,000	148,000	3,314,000	3,314,000	3,314,000	3,314,000	3,314,000	3,314,000	-	-	-
15 Athletics	7,301,990	7,301,990	7,301,990	11,103,177	11,103,177	11,103,177	11,103,177	11,103,177	11,103,177	-	-	-
16 Other ( Parking, Student Rec Center)	1,838,100	1,838,100	1,838,100	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	-	-	-
	14,227,246	14,227,246	14,227,246	20,777,492	20,777,492	20,777,492	20,777,492	20,777,492	20,777,492	-	-	-
17 Other Operating Revenue												
18 Board Support(Housing Debt Service)	2,790,856	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000			
19 Extended Studies Transfer	1,500,000	1,500,000	3,300,000	3,300,000	4,410,000	4,410,000	5,350,000	5,350,000	5,350,000	940,000	940,000	940,000
20 Permanent Increase of ES Transfer		1,300,000										
21 <b>Total Resources</b>	<b>83,169,170</b>	<b>82,169,170</b>	<b>84,493,053</b>	<b>90,813,299</b>	<b>94,755,328</b>	<b>94,755,328</b>	<b>96,424,699</b>	<b>97,754,068</b>	<b>98,567,215</b>	<b>1,660,000</b>	<b>2,990,000</b>	<b>3,810,000</b>
<b>Expenses</b>												
22 Total Expenses (includes Financial Aid)	86,641,838	85,641,838	87,215,722	93,535,968	95,754,997	95,754,997	98,334,997	98,447,997	98,334,997	2,580,000	2,690,000	2,580,000
23 COVID Expenses (Screening, testing, etc.)												
24 Permanent Base Reductions												
25												
<b>Total</b>	<b>86,641,838</b>	<b>85,641,838</b>	<b>87,215,722</b>	<b>93,535,968</b>	<b>95,754,997</b>	<b>95,754,997</b>	<b>98,334,997</b>	<b>98,447,997</b>	<b>98,334,997</b>	<b>2,580,000</b>	<b>2,690,000</b>	<b>2,580,000</b>
26 <b>Net Impact resources less expenses</b>	<b>(3,473,000)</b>	<b>(3,473,000)</b>	<b>(2,723,000)</b>	<b>(2,723,000)</b>	<b>(1,000,000)</b>	<b>(1,000,000)</b>	<b>(1,900,000)</b>	<b>(700,000)</b>	<b>200,000</b>	<b>(900,000)</b>	<b>300,000</b>	<b>1,200,000</b>
<b>One-Time Resources</b>												
28												
29 <b>Planned Board Reserve Deployment</b>												
30 <b>Planned Strategic Financing Resources</b>												
31 <b>HEERF II&amp;III</b>												
32 <b>HEERF III</b>	3,472,668	3,472,668				1,000,000		500,000	500,000			
33 <b>EG Fund Balance</b>												
34	3,472,668	3,472,668										
35 <b>Total Net Shortfall</b>	<b>-</b>	<b>-</b>	<b>(2,723,000)</b>	<b>(2,723,000)</b>	<b>(1,000,000)</b>	<b>-</b>	<b>(1,400,000)</b>	<b>(200,000)</b>	<b>200,000</b>	<b>(900,000)</b>	<b>300,000</b>	<b>1,200,000</b>



## Colorado State University Global FY24 February BOG Meeting Financial Update

	FY23			FY24					FY25	
	Rev. Budget Presented in Oct 2022	YE Actuals as of Jun 2023 <sup>5</sup>	Actuals % of Total	Budget Presented in Jun 2023 <sup>2</sup>	Total Year Forecast as of Aug 2023	YTD Actuals through Dec 2023	Total Year Forecast as of Dec 2023 <sup>3</sup>	Forecast % of Total	Budget (Preliminary)	Budget % of Total
<b>Operating Revenues</b>										
Student Tuition and Fees, net	79,884,668	66,725,068	87.3%	78,950,598	67,557,526	34,089,958	73,120,523	87.9%	74,584,843	88.1%
SEU	6,378,000	8,916,256	11.7%	16,669,100	9,433,000	5,328,568	9,574,898	11.5%	9,433,000	11.1%
Other Operating Revenue	2,052,698	787,510	1.0%	641,800	558,793	153,867	519,298	0.6%	596,850	0.7%
<b>Total Operating Revenues</b>	<b>88,315,366</b>	<b>76,428,833</b>	<b>100.0%</b>	<b>96,261,498</b>	<b>77,549,319</b>	<b>39,572,393</b>	<b>83,214,719</b>	<b>100.0%</b>	<b>84,614,693</b>	<b>100.0%</b>
<b>Operating Expenses</b>										
Instruction	13,493,679	14,165,263	21.9%	16,958,727	14,242,653	7,125,238	14,983,240	20.9%	16,392,288	20.9%
SEU	4,145,700	5,963,257	9.2%	11,180,200	6,483,000	3,588,564	6,553,229	9.1%	5,973,000	7.6%
Academic Support	7,455,893	7,169,507	11.1%	8,355,919	7,834,989	3,222,485	7,092,461	9.9%	8,108,357	10.3%
Student Services ex. Marketing Lead Buy	13,365,735	12,528,988	19.4%	15,743,655	14,898,416	6,499,429	14,067,077	19.6%	15,342,393	19.5%
Marketing Lead Buy	17,850,000	16,598,034	25.7%	24,985,000	18,755,132	8,619,059	21,750,360	30.3%	25,000,000	31.9%
Institutional Support	8,355,037	7,685,551	11.9%	7,014,776	7,074,453	3,295,902	6,676,028	9.3%	7,048,358	9.0%
Operation and Maintenance of Plant	301,900	304,686	0.5%	340,765	317,189	153,525	313,479	0.4%	319,908	0.4%
Depreciation	390,000	162,352	0.3%	300,000	285,877	107,571	257,571	0.4%	300,000	0.4%
<b>Total Operating Expenses</b>	<b>65,357,944</b>	<b>64,577,639</b>	<b>100.0%</b>	<b>84,879,042</b>	<b>69,891,709</b>	<b>32,611,773</b>	<b>71,693,445</b>	<b>100.0%</b>	<b>78,484,304</b>	<b>100.0%</b>
<b>Operating Income</b>	<b>22,957,422</b>	<b>11,851,194</b>		<b>11,382,456</b>	<b>7,657,610</b>	<b>6,960,620</b>	<b>11,521,274</b>		<b>6,130,389</b>	
Operating Margin	26.0%	15.5%		11.8%	9.9%	17.6%	13.8%		7.2% <sup>4</sup>	
<b>Operating Income Ex. Marketing Lead Buy</b>	<b>40,807,423</b>	<b>28,449,229</b>		<b>36,367,456</b>	<b>26,412,742</b>		<b>33,271,634</b>		<b>31,130,389</b>	
Operating Margin	46.2%	37.2%		37.8%	34.1%		40.0%		36.8%	
End of Year Enrollment	15,525	12,844		15,337	11,824		12,971		13,528	
Total New Enrollment	8,655	6,564		9,400	6,786		7,648		7,713	

1. Budgets, actuals, and forecasts exclude HEERF, PELL, and COSI as these are considered non-operating revenues and expenses.

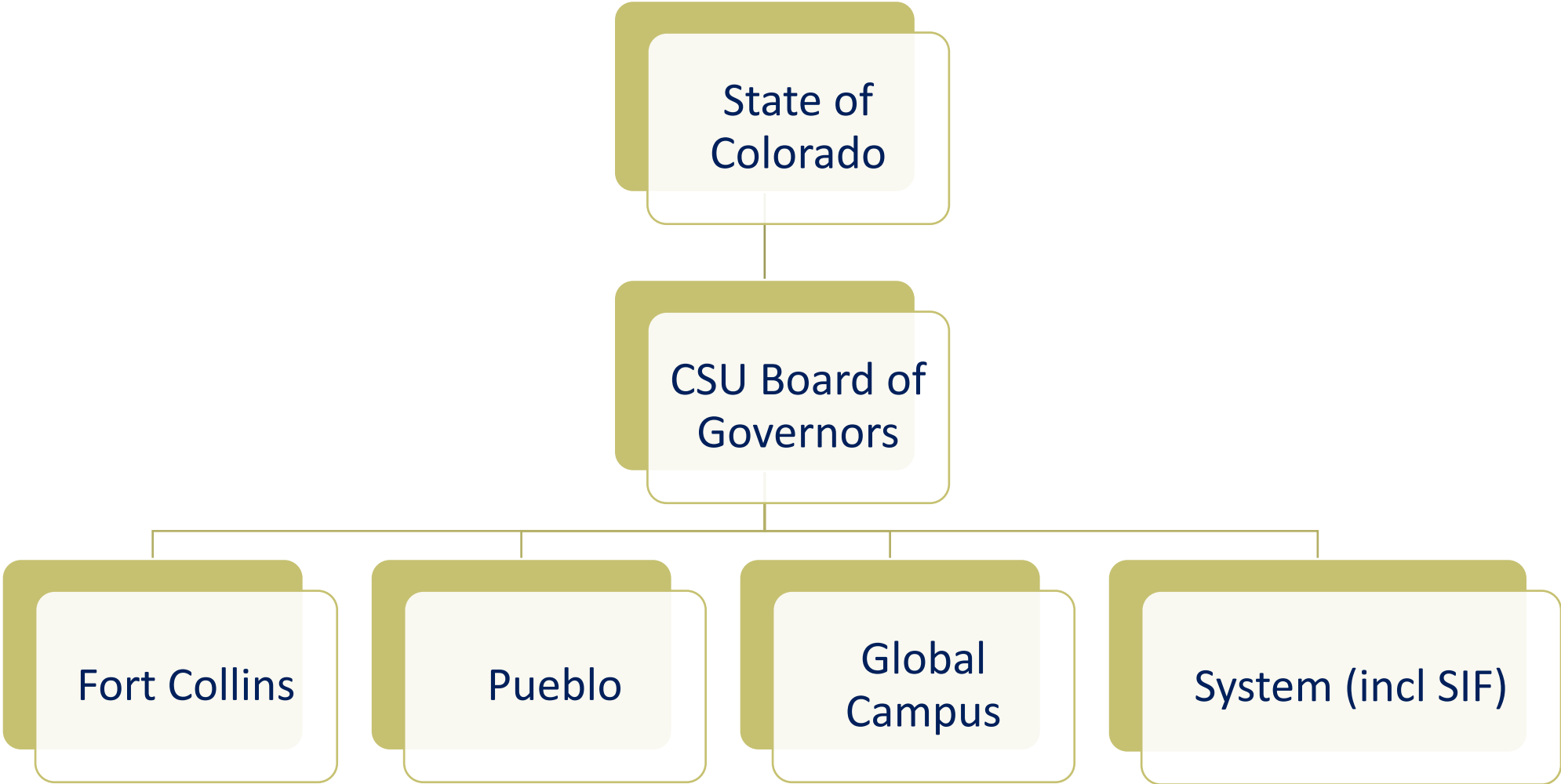
2. Budget included opportunity with SEU for Bachelor's Program Refresh that will now not occur in FY24.

3. Forecast includes six months of actuals and six months of forecast.

# New Board of Governors' Budget Framework

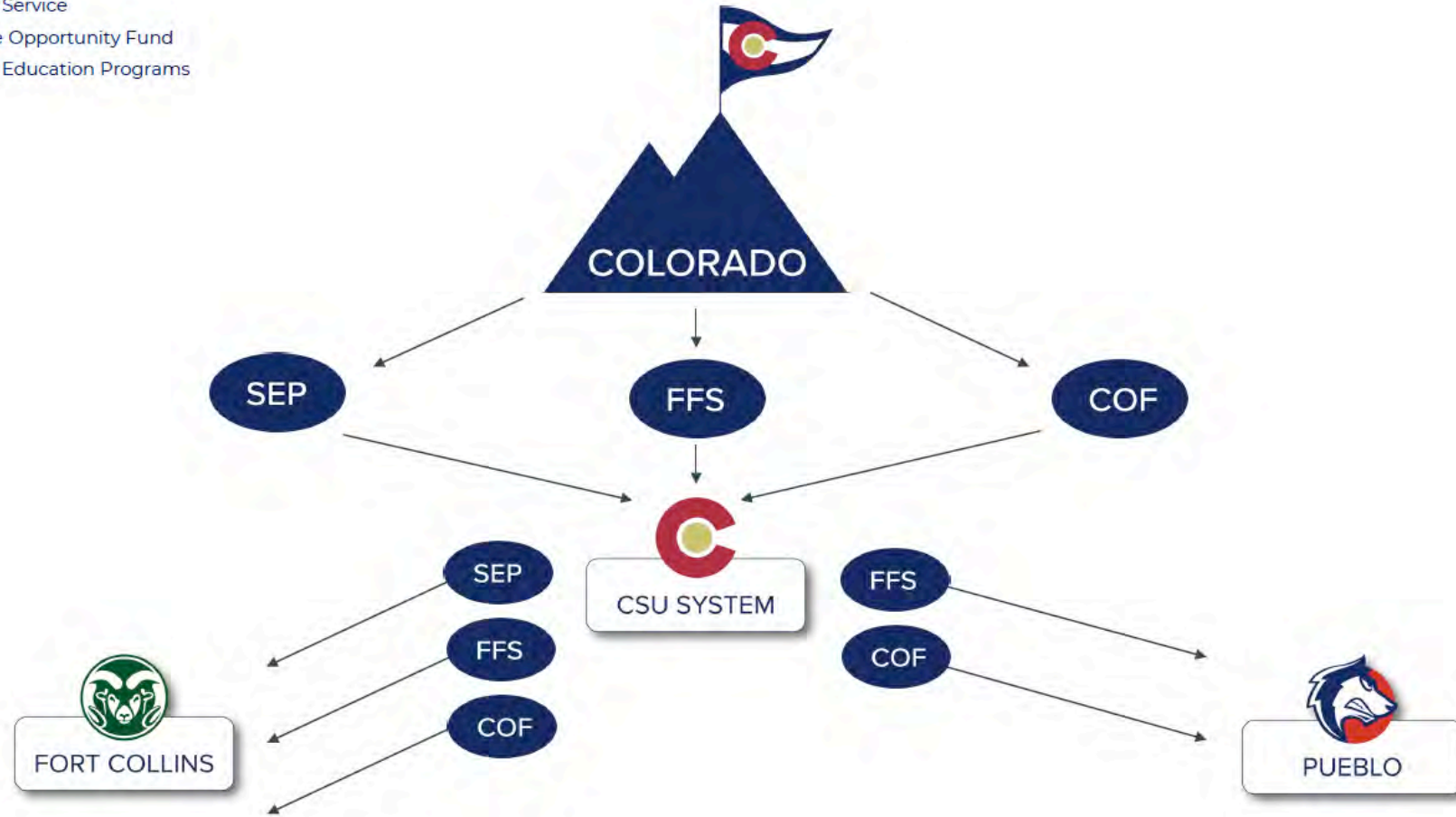


# FY 25 budget framework to align with BOG statutes and structure



# State dollars (excl tuition) flow to CSU with statutory requirements

**FFS** - Fee For Service  
**COF** - College Opportunity Fund  
**SEP** - Special Education Programs



# FY 25 Budget Presentation Preview

- The FY 25 budget preview will represent an alignment of financial resource allocations with the Colorado State University Board of Governor's statutory structure.
  - ✓ *Some resources are excluded from BOG discretion. Examples include direct research dollars, philanthropy, and auxiliary activities (athletics, housing, etc).*
- New model will show available resources at the BOG level and subsequent allocations to campuses, system, and Strategic Investment Fund initiatives.
- BOG will continue to see incremental and total budget sheets from all three campuses. Campus budget sheets will reflect a one-time reduction in expenses now allocated to the System office, while their annual amount available will reflect proportional allocations per process noted above.



# Approval – Board of Governors’ Strategic Investment Fund





**Colorado State University System**  
**Board of Governors' Strategic Investment Fund Commitments**  
**February 2024 Estimates**

		<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>
<b>CSU Pueblo Sustainability</b>		<b>\$ 11,686,000</b>	<b>\$ 11,686,000</b>	<b>\$ 4,886,000</b>	<b>\$ 2,000,000</b>
1	<i>CSU P Vision 2028</i>	\$ 6,800,000	\$ 6,800,000	1,000,000	-
2					
3	<b>Temporary Bridge Funding</b>	<b>\$ 4,000,000</b>	<b>\$ 4,000,000</b>	<b>\$ 3,000,000</b>	<b>\$ 2,000,000</b>
4	Housing	3,000,000	2,000,000	2,000,000	2,000,000
5	Operating Shortfall (Note 1)	1,000,000	2,000,000	1,000,000	-
6	<b>President's Office Infrastructure</b>	<b>\$ 886,000</b>	<b>\$ 886,000</b>	<b>\$ 886,000</b>	<b>\$ -</b>
7					
<b>System Infrastructure</b>		<b>\$ 6,400,000</b>	<b>\$ 7,055,000</b>	<b>\$ 7,183,000</b>	<b>\$ 7,542,150</b>
8	Base Funding	3,700,000	3,700,000	3,700,000	3,885,000
9	Strategic Personnel	700,000	955,000	1,083,000	1,137,150
10	Bridge Funding for Operating (Note 2)	2,000,000	2,400,000	2,400,000	2,520,000
11					
12					
<b>System Initiatives</b>		<b>\$ 18,533,310</b>	<b>\$ 31,112,826</b>	<b>\$ 21,916,556</b>	<b>\$ 26,305,890</b>
13	<b>Medical School</b>	<b>\$ 7,362,135</b>	<b>\$ 8,250,000</b>	<b>\$ 2,446,390</b>	<b>\$ 5,424,837</b>
14	Staff and Operating	7,362,135	8,250,000	6,520,721	5,424,837
16	Less: FY23 Carryforward			(4,074,331)	
17					
18	<b>System IT Upgrades</b>	<b>\$ 976,156</b>	<b>\$ 1,674,435</b>	<b>\$ 1,724,668</b>	<b>\$ 1,800,000</b>
19	Banner Student	976,156	1,674,435	1,724,668	1,800,000
20	<b>Spur Campus</b>	<b>\$ 7,171,348</b>	<b>\$ 17,465,000</b>	<b>\$ 15,258,505</b>	<b>\$ 17,000,050</b>
22	Spur Capital Completion and Program Enhancement	-	2,100,000	150,000	350,000
23	Spur Operations	4,277,348	7,885,000	8,795,520	9,969,186
24	Spur Program Support (Incl State Mag FY 22-FY 25)	2,550,000	7,080,000	5,887,985	6,243,114
25	Spur International Agriculture	344,000	400,000	425,000	437,750
26	<b>System Matching</b>	<b>\$ 3,023,671</b>	<b>\$ 3,723,391</b>	<b>\$ 2,486,993</b>	<b>\$ 2,081,003</b>
27	TMI Estate Gift Match	600,000	600,000	TBD	TBD
31	CSU-FC Ag Sciences Scholarships and Faculty (Note 3)	250,000	250,000	250,000	-
32	CSU-FC Public Safety (Note 4)	400,000	300,000	-	-
35	Salazar Center for North American Conservation (Note 5)	250,000	500,000	820,000	500,000
36	Fort Collins and Pueblo Campus Initiatives	88,000	-	-	-
37	CSURF Reimbursement for Service	100,000	100,000	100,000	100,000
38	Todos Santos Center	545,000	520,000	350,000	250,000
39	Statewide Higher Education Value Campaign	-	1,000,000	750,000	750,000
40	Less: FY23 Carryforward	-	-	(250,000)	-
41	State Engagement Hubs	790,671	453,391	466,993	481,003
<b>TOTAL BOARD RESERVE COMMITMENTS</b>		<b>\$ 36,619,310</b>	<b>\$ 49,853,826</b>	<b>\$ 33,985,556</b>	<b>\$ 35,848,040</b>

\* Row numbers reflect hidden rows and are thus not sequential.

- Note 1 Includes \$1m Athletics for FY 22. FY 23/24 projected shortfall  
Note 2 Currently expected at least through FY 25  
Note 3 Concludes end of FY 24  
Note 4 Concludes end of FY 25 with \$100k in that year  
Note 5 Concludes at the end of FY 27

**Colorado State University System  
BOG Strategic Investment Fund Reconciliation  
February 2024 Estimates**

	<u>FY 2021 Revised</u>	<u>% of total</u>	<u>FY 2022 Revised</u>	<u>% of total</u>	<u>FY 2023 Estimate</u>	<u>% of total</u>	<u>FY 2024 Estimate</u>	<u>% of total</u>	<u>FY 2025 Estimate</u>
Beginning Board Reserve Balance July 1	<b>\$ 66,833,121</b>		<b>\$ 55,765,337</b>		<b>\$ 55,993,365</b>		<b>\$ 18,789,539</b>		<b>\$ 6,553,983</b>
Add New Revenue Available	25,695,818		36,945,000		12,500,000		12,500,000		12,500,000
Add Investment Earnings	562,814		(97,662)		150,000		9,250,000		15,000,000
Total Available Board Reserves	<b>\$ 93,091,753</b>		<b>\$ 92,612,675</b>		<b>\$ 68,643,365</b>		<b>\$ 40,539,539</b>		<b>\$ 34,053,983</b>
Withdrawals:									
CSU Pueblo Sustainability	(5,299,784)		(11,686,000)		(11,686,000)		(4,886,000)		(2,000,000)
System Infrastructure	(6,300,000)		(6,400,000)		(7,055,000)		(7,183,000)		(7,542,150)
System Initiatives	(30,118,654)		(18,533,310)		(31,112,826)		(21,916,556)		(26,305,890)
Total Board Investments	<b>\$ (41,718,438)</b>	44.8%	<b>\$ (36,619,310)</b>	39.5%	<b>\$ (49,853,826)</b>	72.6%	<b>\$ (33,985,556)</b>	83.8%	<b>\$ (35,848,040)</b>
Less carry-forward / unspent	4,392,022								
Board Reserve Balance June 30,	<b>\$ 55,765,337</b>		<b>\$ 55,993,365</b>		<b>\$ 18,789,539</b>		<b>\$ 6,553,983</b>		<b>\$ (1,794,057)</b>

The Board of Governors of the  
Colorado State University System  
Meeting Date: February 8-9, 2024  
Action Item

MATTER FOR ACTION:

The Board of Governors of the Colorado State University System (the “Board”) approval of Strategic Investment Fund withdrawal for Fiscal Year 2024.

RECOMMENDED ACTION:

MOVED, that the Board approves the Strategic Investment Fund Withdrawals for Fiscal Year 2024, and acknowledges this withdrawal is an exception to Board Reserves Policy 205.

EXPLANATION PRESENTED BY: Dr. Tony Frank, Chancellor, Colorado State University System; and Henry Sobanet, Senior Vice Chancellor and Chief Financial Officer, Colorado State University System.

As discussed during Audit and Finance Committee and as shown in the Board of Governors meeting materials, the proposed withdrawal from the Strategic Investment Fund for Fiscal Year 2024 is not consistent with the provisions of Board Reserves Policy 205 and the Board approves this one-time exception to the policy.

\_\_\_\_\_  
Approved

\_\_\_\_\_  
Denied

\_\_\_\_\_  
Board Secretary

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Date

# CSU System Treasury



Colorado State University System								
Operating Portfolio								
December 31, 2023								
	Market Value	Market Value	Market Value	Unrealized		Returns		
	June 30, 2023	Sept 30, 2023	Dec 31, 2023	Gain/Loss Since	Realized Gains	Last	Last	Last
				Inception		Quarter	6 months	Year
<b>Tier 1</b>								
State Treasury Pool *	289,250,401	358,967,343	443,749,571			3.78%	3.66%	3.45%
Less scoop and toss cash <sup>(1)</sup>	(53,667,615)	(53,123,573)	(53,594,802)					
<b>State Treasury Pool Actual</b>	<b>235,582,786</b>	<b>305,843,771</b>	<b>390,154,769</b>					
Money Market Funds	63,193,000	63,944,060	65,009,215			1.70%	3.01%	5.33%
3-mo T-Bill						1.37%	2.70%	5.01%
<b>Tier 2</b>								
Separately Managed - BBH	55,815,859	56,336,409	58,386,770	3,386,770	2,000,000	3.69%	4.71%	7.09%
Bloomberg Gov/Cred 1-5 Yr						3.44%	3.66%	4.89%
<b>Tier 3</b>								
Fidelity 500 Index <sup>(2)</sup>	112,476,078	93,227,168	91,709,108	10,234,770	45,334,000	11.69%	8.04%	26.38%
S&P 500 Index						11.69%	8.04%	26.29%
Vanguard Extended Market Index	31,928,761	28,140,340	32,399,181	11,070,582		15.13%	11.28%	25.40%
Vanguard Spliced Ext Mkt Index						14.90%	11.01%	24.97%
Vanguard Total Intl Stock Index	81,450,436	80,403,666	88,420,316	17,509,248		9.97%	5.52%	15.47%
Vanguard Spliced Intl Index						9.77%	6.12%	15.79%
Separately Managed - PGIM	101,810,917	90,401,964	96,806,083	5,520,088		7.14%	4.25%	7.34%
Bloomberg Aggregate						6.82%	3.37%	5.53%
Total Operating Less State Treasury Pool	\$ 446,675,050	\$ 412,453,606	\$ 432,730,673	\$ 47,721,458	\$ 47,334,000	7.97%	5.69%	13.98%
Total Operating Portfolio	\$ 682,257,836	\$ 718,297,377	\$ 822,885,441	\$ 47,721,458	\$ 47,334,000			
Less Interest Earnings Distributed to Institutions (CSU, Global and System)				(29,140,634)				
Total Undistributed Gain/Loss				\$ 18,580,825				
*Return represents "net credit rate" from State Treasury Pool								
<sup>(1)</sup> \$175M of scoop and toss cash invested in a Treasury Note in November 2022 - maturing February 2024								
<sup>(2)</sup> \$25M of Realized Gains invested in a Treasury Bill in July 2023 - maturing FY25								

## Investment Objectives\*

- Maintain sufficient liquidity for daily and on-going operations of the University
- Preserve principle consistent with liquidity constraints, recognizing market fluctuations will cause value to change over time
- Control costs of administrating and implementing the portfolio
- Diversify investments
- Comply with requirements of the self-liquidity commercial paper program

### Tier 1

- Daily operating Funds: Maturities of one year or less with high credit quality

### Tier 2

- Contingency: Reserve or back-up assets if Tier 1 is insufficient. Investment grade securities with up to 5-year maturity

### Tier 3

- Diversified: Represents the portion of cash that is not expected to be used within the near term

\*changes to the investment objectives coming to produce income from \$250M of the portfolio starting in February 2024

# CSU System Treasury Update

- Operating Portfolio Performance less State Treasurer Pool (daily liquidity)
  - Market value as of December 31, 2023: \$432,730,673
    - 13.98% return for last year (January – December 2023)
    - 5.69% return for the last 6 months (July – December 2023)
    - 7.97% for last quarter (October – December 2023)
- The State Treasurer Pool distributed a “net credited rate” of 3.45% over the last year (January - December 2023). As of December 31, 2023, there was \$53.5M of scoop and toss cash at the State Treasury and \$184M invested in a T-Bill. Maturity of the \$229M scoop and toss debt is March 1, 2024.
- The portfolio has grown by \$95M in gains since inception, July 2018. Of the gains, \$10M was liquidated in FY23 to partially fund the Board of Governors’ initiatives for Rural Colorado and Student Success and the presidential separation of Joyce McConnell. \$25M was liquidated in July 2023 to fund an HR System. \$12.334M was liquidated in December 2023 to complete the rural and student success funding. Remaining undistributed gains have been rolled into a new income investment strategy.
- Investment Advisory Committee
  - Met in January 2024 – discussed new investment strategy to produce \$15M income/year on \$250M



# Income Model Projected Risk and Return

12/31/2023						
Manager	Current Allocation			\$250MM Fixed Income		
	Market Value	Yield (%)	Yield (\$)	Market Value	Yield (%)	Yield (\$)
BBH*	\$51,603,462	5.50%	\$2,838,190	\$125,000,000	5.50%	\$6,875,000
PGIM*	\$85,559,263	6.50%	\$5,561,352	\$125,000,000	6.50%	\$8,125,000
<b>Fixed Income</b>	<b>\$137,162,725</b>	<b>6.12%</b>	<b>\$8,399,542</b>	<b>\$250,000,000</b>	<b>6.00%</b>	<b>\$15,000,000</b>
Fidelity (S&P 500)	\$81,054,449			\$33,750,000		
Vanguard (SMID Cap)	\$28,635,081			\$11,250,000		
Vanguard (Intl)	\$78,147,745			\$30,000,000		
<b>Equity</b>	<b>\$187,837,275</b>	<b>1.92%</b>	<b>\$3,606,476</b>	<b>\$75,000,000</b>	<b>1.92%</b>	<b>\$1,440,000</b>
<b>Total</b>	<b>\$325,000,000</b>	<b>3.69%</b>	<b>\$12,006,018</b>	<b>\$325,000,000</b>	<b>5.06%</b>	<b>\$16,440,000</b>

\*Estimated portfolio yields based on manager projections.

	Current Allocation	\$250MM Fixed Income
10 Year Geometric Mean Return	7.03%	6.80%
<b>Projected Standard Deviation</b>	<b>10.80%</b>	<b>8.60%</b>
% Total Equity	57.8%	23.1%
% Total Equity + High Yield	57.8%	61.5%

The current asset allocation for Tier III has an expected return of 7% with a projected standard deviation of 10.8%.

The new asset allocation for Tier III with \$250 million in fixed income has an expected return of 6.8% and a projected standard deviation of 8.6%.