

Finance Committee



State Budget Update



State Budget Update

The Long Bill includes a \$119.9 million increase (11.5%) in funding for higher education institutions. The CSU System's portion of the funding increase is \$22.2 million (11%).

Funding was allocated through the funding formula (Year 3).

Step 1: \$27 million – equally divided between First Generation FTE, First Generation headcount, underrepresented represented minority student count and retention, Pell Grant student counts.

Step 2: \$58 million based and Performance Funding metrics.

Approval for a 5% increase in resident, undergraduate tuition.

State Budget Update

Separate from the higher education funding model, the CSU System will receive \$1.2M for cyber security initiatives.

CSU will receive \$2.2M for network hardware upgrades, \$9.7M for state-funded controlled maintenance projects and \$23.9M for Clark Building revitalization.

FY23 Q3 Financial Statements



Colorado State University System
Financial Statement Highlights
FY 22-23, 3rd 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

- Federal Cares Act resources are recorded in Federal nonoperating grants and contracts.
- Added new lines under **Other revenues (expenses)** to track utilization of the scoop and toss financing resources.

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

- Auxiliary revenue of \$172.1 million in Q3 of FY23 is a \$25.1 million increase over the same quarter in FY22, primarily related to increases in auxiliary rentals and food sales from campus residence halls and dining halls, as well as increases from football related ticket sales and increases in other auxiliary sales and services.
- State Appropriation revenue increased \$5.0 million in FY23 due to receiving funding for the CSFS Seeding Tree Nursery.
- The amount of gift revenue the University receives varies from year to year, however gift revenue of \$52.1 million in Q3 of FY23 \$15.6 million higher than the same quarter in FY22 due to

gift increases of \$5.0M for C. Wayne McIlwraith Translational Medicine Institute, \$4.8M for CSUF Student Support, \$861.5K for Gary & Kim Smith Global Food Innovation Center, and \$803.7K for UA Donor Technology.

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

- Operating revenues were \$56.1M in Q3 of FY23 versus budgeted revenues of \$64.1M due to lower than budgeted enrollment.
- Operating expenses were \$53.8M in Q3 of FY23 versus budgeted expenses of \$56.8M due, primarily, to later than budgeted advertising expenses and reduced PELL grant disbursements due to lower than budgeted enrollment.
- As a result, the income (loss) before other revenues in Q3 of FY23 was \$10.6M compared to budgeted income (loss) before other revenues of \$17.1M.

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

- First time freshmen enrollment target was exceeded for the first time in four years, with a total of 701 (Fall and Spring) new freshman students. This was a 9.5% increase from fall 2021.
- New transfer student enrollment also exceeded the enrollment target for fall and spring by 77 students.
- Resident instruction tuition revenue is tracking -3.0%. 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 2021 Actual	FY 2022* Actual	FY 2023 Original Budget	FY 2023 YTD Budget Q3	FY 2023 Q3	\$ Variance	% Variance
Operating revenues							
Student tuition and fees	\$ 553,356,774	585,894,446	618,306,840	558,138,498	553,723,993	(4,414,505)	-0.8%
State fee for service revenue	52,661,450	140,151,805	151,439,587	113,896,925	113,896,925	-	-
Grants and contracts	370,494,252	403,795,778	418,271,929	298,497,594	303,126,343	4,628,750	1.6%
Sales and services of educational activities	45,722,872	51,763,053	54,321,752	36,956,921	37,022,789	65,868	0.2%
Auxiliary enterprises	128,388,257	193,848,994	205,193,615	177,493,592	180,795,445	3,301,853	1.9%
Other operating revenue	13,295,496	15,197,988	15,650,922	14,169,404	13,644,033	(525,371)	-3.7%
Total operating revenues	1,163,919,100	1,390,652,064	1,463,184,646	1,199,152,934	1,202,209,529	3,056,595	0.3%
Operating expenses							
Instruction	335,109,700	346,998,325	378,921,664	302,825,298	304,539,947	(1,714,649)	-0.6%
Research	204,435,877	227,999,338	250,305,210	182,822,281	183,739,211	(916,930)	-0.5%
Public service	142,824,985	156,240,928	170,040,929	125,836,235	125,655,371	180,864	0.1%
Academic support	101,288,042	111,613,108	129,025,827	100,074,835	99,677,640	397,195	0.4%
Student services	60,004,718	64,400,059	75,548,265	55,439,276	52,691,648	2,747,628	5.0%
Institutional support	76,941,557	89,365,277	103,003,581	84,747,274	84,070,437	676,837	0.8%
Operation and maintenance of plant	63,446,029	84,049,403	97,330,943	81,173,728	80,999,435	174,293	0.2%
Scholarships and fellowships	48,222,162	71,456,092	52,755,542	35,309,901	34,343,189	966,712	2.7%
Auxiliary enterprises	110,330,663	154,285,019	168,953,533	132,732,921	135,250,729	(2,517,808)	-1.9%
Depreciation	110,085,065	114,126,050	119,241,609	89,422,243	89,102,951	319,291	0.4%
Total operating expenses	1,252,688,800	1,420,533,600	1,545,127,102	1,190,383,991	1,190,070,557	313,434	0.0%
Operating Income (Loss)	(88,769,699)	(29,881,535)	(81,942,457)	8,768,943	12,138,972	3,370,029	38.4%
Non-operating revenues (expenses)							
State appropriations	2,940,364	10,798,364	19,595,047	17,920,000	17,920,047	47	-
Gifts	51,810,390	59,994,699	65,346,204	53,566,000	53,740,738	174,738	0.3%
Investment income	10,326,918	7,870,449	7,800,000	15,990,861	15,509,981	(480,880)	-3.0%
Unrealized gain (loss) on investments	58,526,642	(85,640,664)	(50,000,000)	9,315,192	9,315,200	8	0.0%
Interest expense on capital debt	(37,624,158)	(45,509,379)	(52,687,059)	(42,663,973)	(42,669,775)	(5,801)	-
Federal nonoperating grants and contracts	158,123,667	112,118,865	75,586,472	38,961,000	37,897,998	(1,063,002)	-2.7%
State support for PERA pension	-	3,770,749	3,800,000	-	-	-	-
Other nonoperating revenues (expenses)	10,074,258	37,557,633	19,311,073	7,963,375	7,988,167	24,792	0.3%
Net nonoperating revenues	254,178,081	100,960,716	88,751,737	101,052,454	99,702,358	(1,350,096)	-1.3%
Income (Loss) Before other revenues	165,408,382	71,079,181	6,809,281	109,821,397	111,841,330	2,019,933	1.8%
Other revenues (expenses)							
Student facility fees	12,821,247	14,438,173	15,218,286	13,979,000	13,969,249	(9,751)	-
State capital contributions	118,095,957	95,550,496	20,315,115	16,525,000	16,507,764	(17,236)	-
Capital grants	13,647,978	10,093,737	11,636,441	8,898,000	8,897,694	(306)	-
Capital gifts	15,182,228	6,400,264	7,142,814	5,234,000	5,233,748	(252)	0.0%
Payments (to)/from governing boards or other institutions	13,760,833	1,405,817	15,551,360	9,741,617	9,243,323	(498,295)	-5.1%
Reserve transfers within the CSU System	-	-	-	-	-	-	-
System transfers for scoop and toss bond payments	-	-	-	-	-	-	-
Additions to permanent endowments	4,221,188	(731,485)	(1,141,812)	-	-	-	-
Total other revenues	177,729,430	127,157,002	68,722,204	54,377,617	53,851,777	(525,840)	-1.0%
Increase (decrease) in net position	\$ 343,137,812	198,236,182	75,531,485	164,199,014	165,693,107	1,494,093	0.9%

*Restated due to implementation of GASB 87

Colorado State University System							
Excluding Pension/OPEB Adjustment							
Statement of Revenues, Expenses and Changes in Net Position							
Three Year Trend							
	FY 2021 Actual	FY 2022* Actual	FY 2023 Original Budget	FY 2023 YTD Budget Q3	FY 2023 Q3	\$ Variance	% Variance
Operating revenues							
Student tuition and fees	\$ 553,356,774	585,894,446	618,306,840	558,138,498	553,723,993	(4,414,505)	-0.8%
State fee for service revenue	52,661,450	140,151,805	151,439,587	113,896,925	113,896,925	-	-
Grants and contracts	370,494,252	403,795,778	418,271,929	298,497,594	303,126,343	4,628,750	1.6%
Sales and services of educational activities	45,722,872	51,763,053	54,321,752	36,956,921	37,022,789	65,868	0.2%
Auxiliary enterprises	128,388,257	193,848,994	205,193,615	177,493,592	180,795,445	3,301,853	1.9%
Other operating revenue	13,295,496	15,197,988	15,650,922	14,169,404	13,644,033	(525,371)	-3.7%
Total operating revenues	1,163,919,100	1,390,652,064	1,463,184,646	1,199,152,934	1,202,209,529	3,056,595	0.3%
Operating expenses							
Instruction	367,629,386	371,085,962	378,921,664	302,825,298	304,539,947	(1,714,649)	-0.6%
Research	217,870,521	239,120,784	250,305,210	182,822,281	183,739,211	(916,930)	-0.5%
Public service	154,069,060	161,540,979	170,040,929	125,836,235	125,655,371	180,864	0.1%
Academic support	117,447,895	121,706,633	129,025,827	100,074,835	99,677,640	397,195	0.4%
Student services	67,796,246	67,801,952	75,548,265	55,439,276	52,691,648	2,747,628	5.0%
Institutional support	95,388,218	97,962,806	103,003,581	84,747,274	84,070,437	676,837	0.8%
Operation and maintenance of plant	88,350,795	93,325,150	97,330,943	81,173,728	80,999,435	174,293	0.2%
Scholarships and fellowships	48,472,392	71,566,928	52,755,542	35,309,901	34,343,189	966,712	2.7%
Auxiliary enterprises	135,811,642	164,564,007	168,953,533	132,732,921	135,250,729	(2,517,808)	-1.9%
Depreciation	110,085,065	114,126,050	119,241,609	89,422,243	89,102,951	319,291	0.4%
Total operating expenses	1,402,921,221	1,502,801,252	1,545,127,102	1,190,383,991	1,190,070,557	313,434	0.0%
Operating Income (Loss)	(239,002,121)	(112,149,188)	(81,942,457)	8,768,943	12,138,972	3,370,029	38.4%
Non-operating revenues (expenses)							
State appropriations	2,940,364	10,798,364	19,595,047	17,920,000	17,920,047	47	-
Gifts	51,810,390	59,994,699	65,346,204	53,566,000	53,740,738	174,738	0.3%
Investment income	10,326,918	7,870,449	7,800,000	15,990,861	15,509,981	(480,880)	-3.0%
Unrealized gain (loss) on investments	58,526,642	(85,640,664)	(50,000,000)	9,315,192	9,315,200	8	0.0%
Interest expense on capital debt	(37,624,158)	(45,509,379)	(52,687,059)	(42,663,973)	(42,669,775)	(5,801)	-
Federal nonoperating grants and contracts	158,123,667	112,118,865	75,586,472	38,961,000	37,897,998	(1,063,002)	-2.7%
State support for PERA pension	-	3,770,749	3,800,000	-	-	-	-
Other nonoperating revenues (expenses)	10,074,258	37,557,633	19,311,073	7,963,375	7,988,167	24,792	0.3%
Net nonoperating revenues	254,178,081	100,960,716	88,751,737	101,052,454	99,702,358	(1,350,096)	-1.3%
Income (Loss) Before other revenues	15,175,960	(11,188,472)	6,809,281	109,821,397	111,841,330	2,019,933	1.8%
Other revenues (expenses)							
Student facility fees	12,821,247	14,438,173	15,218,286	13,979,000	13,969,249	(9,751)	-
State capital contributions	118,095,957	95,550,496	20,315,115	16,525,000	16,507,764	(17,236)	-
Capital grants	13,647,978	10,093,737	11,636,441	8,898,000	8,897,694	(306)	-
Capital gifts	15,182,228	6,400,264	7,142,814	5,234,000	5,233,748	(252)	0.0%
Payments (to)/from governing boards or other institutions	13,760,833	1,405,817	15,551,360	9,741,617	9,243,323	(498,295)	-5.1%
Reserve transfers within the CSU System	-	-	-	-	-	-	-
System transfers for scoop and toss bond payments	-	-	-	-	-	-	-
Additions to permanent endowments	4,221,188	(731,485)	(1,141,812)	-	-	-	-
Total other revenues	177,729,430	127,157,002	68,722,204	54,377,617	53,851,777	(525,840)	-1.0%
Increase (decrease) in net position	\$ 192,905,391	115,968,530	75,531,485	164,199,014	165,693,107	1,494,093	0.9%
*Restated due to implementation of GASB 87							
Impact of GASB 68/75 on operating expenses	(150,232,421)	(82,267,652)					
	-	-					

Colorado State University							
Excluding Pension/OPEB Adjustment							
Statement of Revenues, Expenses and Changes in Net Position							
Three Year Trend							
	FY 2021 Actual	FY 2022* Actual	FY 2023 Original Budget	FY 2023 YTD Budget Q3	FY 2023 Q3	\$ Variance	% Variance
Operating revenues							
Student tuition and fees	\$ 437,551,359	487,801,542	513,422,172	480,722,460	483,372,078	2,649,618	0.6%
State fee for service revenue	41,306,106	122,536,893	133,564,307	100,490,465	100,490,465	-	-
Grants and contracts	359,301,407	390,729,990	404,771,929	288,997,594	293,735,435	4,737,842	1.6%
Sales and services of educational activities	45,457,689	51,484,633	54,021,752	36,791,921	36,858,491	66,570	0.2%
Auxiliary enterprises	122,935,058	185,285,513	195,193,615	168,793,592	172,037,017	3,243,425	1.9%
Other operating revenue	6,077,297	6,730,283	6,795,224	6,185,482	6,221,700	36,219	0.6%
Total operating revenues	1,012,628,916	1,244,568,854	1,307,769,000	1,081,981,513	1,092,715,187	10,733,674	1.0%
Operating expenses							
Instruction	325,218,287	328,408,720	338,282,285	272,798,132	273,517,195	(719,063)	-0.3%
Research	214,976,248	235,884,005	247,105,210	180,222,281	181,140,275	(917,994)	-0.5%
Public service	151,944,018	159,358,155	167,890,929	124,323,735	124,167,909	155,826	0.1%
Academic support	101,961,489	106,301,155	112,819,934	88,854,445	88,216,978	637,467	0.7%
Student services	32,646,241	34,901,662	35,465,530	27,209,085	27,236,214	(27,129)	-0.1%
Institutional support	63,974,599	64,811,983	68,276,485	58,718,321	58,677,900	40,421	0.1%
Operation and maintenance of plant	80,514,160	84,915,665	88,629,043	74,947,306	74,674,146	273,160	0.4%
Scholarships and fellowships	27,341,698	49,457,407	32,755,542	23,909,901	24,057,979	(148,078)	-0.6%
Auxiliary enterprises	123,854,467	149,942,147	154,353,533	122,032,921	124,351,210	(2,318,289)	-1.9%
Depreciation	99,894,198	102,762,166	107,394,833	80,670,705	80,411,029	259,676	0.3%
Total operating expenses	1,222,325,406	1,316,743,066	1,352,973,323	1,053,686,832	1,056,450,836	(2,764,004)	-0.3%
Operating Income (Loss)	(209,696,489)	(72,174,211)	(45,204,323)	28,294,681	36,264,351	7,969,670	-28.2%
Non-operating revenues (expenses)							
State appropriations	1,941,154	10,198,364	16,795,047	16,520,000	16,520,047	47	-
Gifts	48,151,372	54,497,610	60,346,204	53,126,000	53,125,553	(447)	-
Investment income	7,936,298	5,391,673	6,000,000	11,151,000	11,150,705	(295)	-
Unrealized gain (loss) on investments	43,802,794	(60,771,967)	(35,500,000)	6,430,000	6,430,008	8	-
Interest expense on capital debt	(34,525,122)	(42,221,802)	(49,334,059)	(39,874,000)	(39,873,763)	237	-
Federal nonoperating grants and contracts	124,649,137	78,532,657	44,086,472	25,311,000	25,310,853	(147)	-
State support for PERA pension	-	3,448,196	3,500,000	-	-	-	-
Other nonoperating revenues (expenses)	10,731,859	37,435,516	19,161,073	7,780,000	7,780,377	377	-
Net nonoperating revenues	202,687,491	86,510,246	65,054,737	80,444,000	80,443,780	(220)	-
Income (Loss) Before other revenues	(7,008,998)	14,336,035	19,850,414	108,738,681	116,708,130	7,969,449	0.0%
Other revenues (expenses)							
Student facility fees	11,499,362	13,502,646	14,218,286	13,029,000	13,028,937	(63)	-
State capital contributions	115,553,087	94,431,612	18,315,115	13,775,000	13,774,595	(405)	-
Capital grants	13,474,782	10,051,275	11,586,441	8,873,000	8,872,969	(31)	-
Capital gifts	14,954,658	6,020,089	6,742,814	5,185,000	5,184,823	(177)	-
Payments (to)/from governing boards or other institutions	8,453,724	(5,521,749)	10,060,135	12,453,000	12,453,454	454	-
Reserve transfers within the CSU System	25,078,103	9,750,648	11,541,871	-	-	-	-
System transfers for scoop and toss bond payments	(69,189,995)	(68,576,851)	(68,692,369)	(66,992,369)	(66,992,369)	-	-
Additions to permanent endowments	4,221,188	(731,485)	(1,141,812)	-	-	-	-
Total other revenues	124,044,909	58,926,184	2,630,481	(13,677,369)	(13,677,591)	(222)	-
Increase (decrease) in net position	\$ 117,035,911	73,262,219	22,480,895	95,061,312	103,030,539	7,969,227	8.4%
*Restated due to implementation of GASB 87							
Impact of GASB 68/75 on operating expenses	(137,730,403)	(77,931,927)					

Colorado State University - Board of Governors							
Excluding Pension/OPEB Adjustment							
Statement of Revenues, Expenses and Changes in Net Position							
Three Year Trend							
	FY 2021 Actual	FY 2022* Actual	FY 2023 Original Budget	FY 2023 YTD Budget Q3	FY 2023 Q3	\$ Variance	% Variance
Operating revenues							
Student tuition and fees	\$ -	-	-	-	-	-	-
State fee for service revenue	-	-	-	-	-	-	-
Grants and contracts	-	-	-	-	-	-	-
Sales and services of educational activities	-	-	-	-	-	-	-
Auxiliary enterprises	-	-	-	-	-	-	-
Other operating revenue	272,000	257,075	250,000	187,500	171,874	(15,626)	-8.3%
Total operating revenues	272,000	257,075	250,000.00	187,500.00	171,874	(15,626)	-8.3%
Operating expenses							
Instruction	-	-	-	-	-	-	-
Research	-	-	-	-	-	-	-
Public service	144,271	149,759	150,000	112,500	110,868	1,632	1.5%
Academic support	-	-	-	-	-	-	-
Student services	-	-	-	-	-	-	-
Institutional support	11,929,499	14,093,962	15,372,060	11,529,045	11,053,950	475,095	4.1%
Operation and maintenance of plant	-	-	-	-	-	-	-
Scholarships and fellowships	-	-	-	-	-	-	-
Auxiliary enterprises	-	-	-	-	-	-	-
Depreciation	65,284	456,776	456,776	342,582	372,880	(30,298)	-8.8%
Total operating expenses	12,139,053	14,700,497	15,978,836	11,984,127	11,537,698	446,429	3.7%
Operating Income (Loss)	(11,867,053)	(14,443,422)	(15,728,836)	(11,796,627)	(11,365,824)	430,803	-3.7%
Non-operating revenues (expenses)							
State appropriations	-	-	-	-	-	-	-
Gifts	-	167,731	-	-	174,500	174,500	-
Investment income	1,231,956	1,837,357	400,000	3,654,861	3,654,861	-	0.0%
Unrealized gain (loss) on investments	6,323,939	(15,516,554)	(9,000,000)	1,440,315	1,440,315	-	0.0%
Interest expense on capital debt	(379)	(46,079)	(53,000)	(39,973)	(39,973)	-	0.0%
Federal nonoperating grants and contracts	-	-	-	-	-	-	-
State support for PERA pension	-	40,350	-	-	-	-	-
Other nonoperating revenues (expenses)	(9,178)	78,839	-	-	9,848	9,848	-
Net nonoperating revenues	7,546,338	(13,438,356)	(8,653,000)	5,055,202	5,239,550	184,348	3.6%
Income (Loss) Before other revenues	(4,320,715)	(27,881,777)	(24,381,836)	(6,741,425)	(6,126,274)	615,151	-9.1%
Other revenues (expenses)							
Student facility fees	-	-	-	-	-	-	-
State capital contributions	-	-	-	-	-	-	-
Capital grants	-	-	-	-	-	-	-
Capital gifts	-	-	-	-	-	-	-
Payments (to)/from governing boards or other institutions	6,569,086	5,855,713	6,788,823	5,091,617	4,802,687	(288,930)	-5.7%
Reserve transfers within the CSU System	(7,094,414)	14,787,709	1,219,565	-	-	-	-
System transfers for scoop and toss bond payments	75,914,080	75,386,198	75,522,986	73,822,986	73,822,986	-	0.0%
Additions to permanent endowments	-	-	-	-	-	-	-
Total other revenues	75,388,752	96,029,620	83,531,374	78,914,603	78,625,673	(288,930)	-0.4%
Increase (decrease) in net position	\$ 71,068,036	68,147,843	59,149,537.87	72,173,178	72,499,399	326,221	0.5%
*Restated due to implementation of GASB 87							
Impact of GASB 68/75 on operating expenses	(141,376)	379,094					

Colorado State University - Global Campus

Excluding Pension/OPEB Adjustment

Statement of Revenues, Expenses and Changes in Net Position Three Year Trend

	FY2021 Actual	FY2022* Actual	FY 2023 Original Budget	FY 2023 YTD Budget Q3	FY 2023 Q3	\$ Variance	% Variance
Operating revenues							
Student tuition and fees	\$ 89,214,492	75,025,400	79,884,668	56,416,039	48,969,160	(7,446,878)	-13.2%
State fee for service revenue	-	-	-	-	-	-	
Grants and contracts	-	-	-	-	-	-	
Sales and services of educational activities	-	-	-	-	-	-	
Auxiliary enterprises	-	-	-	-	-	-	
Other operating revenue	6,687,582	8,040,371	8,430,698	7,737,506	7,191,543	(545,963)	-7.1%
Total operating revenues	95,902,073	83,065,771	88,315,366	64,153,545	56,160,703	(7,992,841)	-12.5%
Operating expenses							
Instruction	20,060,139	19,618,525	17,639,379	14,227,166	15,184,479	(957,313)	-6.7%
Research	-	-	-	-	-	-	
Public service	-	-	-	-	-	-	
Academic support	6,976,472	7,151,334	7,955,893	5,420,390	5,597,885	(177,496)	-3.3%
Student services	29,401,723	26,952,520	34,082,735	23,230,191	20,502,486	2,727,704	11.7%
Institutional support	7,435,081	8,036,302	8,355,037	5,899,908	5,722,557	177,351	3.0%
Operation and maintenance of plant	86,946	757	301,900	226,422	227,152	(730)	-0.3%
Scholarships and fellowships	11,858,943	12,232,739	10,000,000	7,500,000	6,460,364	1,039,636	13.9%
Auxiliary enterprises	-	-	-	-	-	-	
Depreciation	648,556	551,060	390,000	258,956	115,717	143,238	55.3%
Total operating expenses	76,467,859	74,543,237	78,724,943	56,763,032	53,810,641	2,952,391	5.2%
Operating Income (Loss)	19,434,214	8,522,534	9,590,423	7,390,513	2,350,062	(5,040,450)	-68.2%
Non-operating revenues (expenses)							
State appropriations	-	-	-	-	-	-	
Gifts	-	-	-	-	-	-	
Investment income	875,525	332,972	1,100,000	825,000	350,631	(474,369)	-57.5%
Unrealized gain (loss) on investments	8,948,192	(8,370,408)	(5,000,000)	1,444,878	1,444,878	-	0.0%
Interest expense on capital debt	(30,814)	(25,144)	-	-	-	-	
Federal nonoperating grants and contracts	11,858,943	12,232,739	10,000,000	7,500,000	6,460,364	(1,039,636)	-13.9%
State support for PERA pension	-	19,379	-	-	-	-	
Other nonoperating revenues (expenses)	4,005	(126,192)	-	3,375	20,647	17,272	511.8%
Net nonoperating revenues	21,655,852	4,063,347	6,100,000	9,773,253	8,276,520	(1,496,733)	-15.3%
Income (Loss) Before other revenues	41,090,065	12,585,881	15,690,423	17,163,765	10,626,582	(6,537,183)	-38.1%
Other revenues (expenses)							
Student facility fees	-	-	-	-	-	-	
State capital contributions	-	-	-	-	-	-	
Capital grants	-	-	-	-	-	-	
Capital gifts	-	-	-	-	-	-	
Payments (to)/from governing boards or other institutions	(761,125)	(863,142)	(796,746)	(603,000)	(807,568)	(204,568)	33.9%
Reserve transfers within the CSU System	(25,695,818)	(36,945,000)	(25,000,000)	-	-	-	
System transfers for scoop and toss bond payments	-	-	-	-	-	-	
Additions to permanent endowments	-	-	-	-	-	-	
Total other revenues	(26,456,943)	(37,808,142)	(25,796,746)	(603,000)	(807,568)	(204,568)	33.9%
Increase (decrease) in net position	\$ 14,633,122	(25,222,261)	(10,106,323)	16,560,765	9,819,014	(6,741,751)	-40.7%
*Restated due to implementation of GASB 87							
Impact of GASB 68/75 on operating expenses	(1,375,228)	(731,839)					

Colorado State University Pueblo							
Excluding Pension/OPEB Adjustment							
Statement of Revenues, Expenses and Changes in Net Position							
Three Year Trend							
	FY 2021 Actual	FY 2022* Actual	FY 2023 Original Budget	FY 2023 YTD Budget Q3	FY 2023 Q3	\$ Variance	% Variance
Operating revenues							
Student tuition and fees	\$ 26,590,923	23,067,504	25,000,000	21,000,000	21,382,755	382,755	1.8%
State fee for service revenue	11,355,344	17,614,912	17,875,280	13,406,460	13,406,460	-	-
Grants and contracts	11,192,845	13,065,788	13,500,000	9,500,000	9,390,908	(109,092)	-1.1%
Sales and services of educational activities	265,183	278,419	300,000	165,000	164,298	(702)	-0.4%
Auxiliary enterprises	5,453,198	8,563,481	10,000,000	8,700,000	8,758,428	58,428	0.7%
Other operating revenue	258,618	170,259	175,000	58,916	58,916	-	0.0%
Total operating revenues	55,116,111	62,760,363	66,850,280	52,830,376	53,161,765	331,388	0.6%
Operating expenses							
Instruction	22,350,960	23,058,717	23,000,000	15,800,000	15,838,273	(38,273)	-0.2%
Research	2,894,273	3,236,778	3,200,000	2,600,000	2,598,936	1,064	0.0%
Public service	1,980,771	2,033,065	2,000,000	1,400,000	1,376,594	23,406	1.7%
Academic support	8,509,935	8,254,144	8,250,000	5,800,000	5,862,776	(62,776)	-1.1%
Student services	5,748,281	5,947,770	6,000,000	5,000,000	4,952,948	47,052	0.9%
Institutional support	12,049,039	11,020,559	11,000,000	8,600,000	8,616,029	(16,029)	-0.2%
Operation and maintenance of plant	7,749,690	8,408,729	8,400,000	6,000,000	6,098,137	(98,137)	-1.6%
Scholarships and fellowships	9,271,751	9,876,781	10,000,000	3,900,000	3,824,846	75,154	1.9%
Auxiliary enterprises	11,957,175	14,621,861	14,600,000	10,700,000	10,899,518	(199,518)	-1.9%
Depreciation	9,477,028	10,356,048	11,000,000	8,150,000	8,203,324	(53,324)	-0.7%
Total operating expenses	91,988,903	96,814,452	97,450,000	67,950,000	68,271,382	(321,382)	-0.5%
Operating Income (Loss)	(36,872,792)	(34,054,089)	(30,599,720)	(15,119,624)	(15,109,617)	10,007	-0.1%
Non-operating revenues (expenses)							
State appropriations	999,210	600,000	2,800,000	1,400,000	1,400,000	-	-
Gifts	3,659,018	5,329,358	5,000,000	440,000	440,686	686	-
Investment income	283,139	308,446	300,000	360,000	353,785	(6,215)	-1.7%
Unrealized gain (loss) on investments	(548,282)	(981,735)	(500,000)	-	-	-	-
Interest expense on capital debt	(3,067,844)	(3,216,354)	(3,300,000)	(2,750,000)	(2,756,039)	(6,039)	0.2%
Federal nonoperating grants and contracts	21,615,587	21,353,469	21,500,000	6,150,000	6,126,781	(23,219)	-0.4%
State support for PERA pension	-	262,824	300,000	-	-	-	-
Other nonoperating revenues (expenses)	(652,428)	169,470	150,000	180,000	177,295	(2,705)	-1.5%
Net nonoperating revenues	22,288,400	23,825,479	26,250,000	5,780,000	5,742,509	(37,491)	-0.6%
Income (Loss) Before other revenues	(14,584,391)	(10,228,610)	(4,349,720)	(9,339,624)	(9,367,108)	(27,484)	0.3%
Other revenues (expenses)							
Student facility fees	1,321,885	935,527	1,000,000	950,000	940,312	(9,688)	-1.0%
State capital contributions	2,542,870	1,118,885	2,000,000	2,750,000	2,733,169	(16,831)	-0.6%
Capital grants	173,197	42,463	50,000	25,000	24,725	(275)	-1.1%
Capital gifts	227,570	380,175	400,000	49,000	48,925	(75)	-0.2%
Payments (to)/from governing boards or other institutions	(500,852)	1,934,995	(500,852)	(7,200,000)	(7,205,250)	(5,250)	0.1%
Reserve transfers within the CSU System	7,712,129	12,406,643	12,238,564	-	-	-	-
System transfers for scoop and toss bond payments	(6,724,085)	(6,809,347)	(6,830,617)	(6,830,617)	(6,830,617)	-	-
Additions to permanent endowments	-	-	-	-	-	-	-
Total other revenues	4,752,713	10,009,339	8,357,095	(10,256,617)	(10,288,736)	(32,119)	-
Increase (decrease) in net position	\$ (9,831,678)	(219,271)	4,007,375	(19,596,241)	(19,655,844)	(59,603)	0.3%
*Restated due to implementation of GASB 87							
Impact of GASB 68/75 on operating expenses	(10,985,414)	(3,982,981)					

FY24 Campus Budget Update with Tuition Discussion



FY24 Incremental E&G Budget - V.5.0
Colorado State University - Fort Collins
Thursday, April 20, 2023

Tuition Rate = 4%
State = 11.4%
Salary = 5%

1	New Resources		
2	Tuition		
3	Enrollment Growth		
4	Increase in FTE	\$	-
5	Undergraduate		3,518,000
6	Graduate	\$	600,000
7	Pandemic Enrollment Revenue		4,000,000
8	Undergraduate Rate Increase		
9	Resident - 4%		5,764,000
10	Non-Resident - 4%		8,225,000
11	Graduate Rate Increase		
12	Resident - 3%		466,000
13	Non-Resident - 3%		680,000
14	Professional Veterinary Medicine Rate Increase		857,000
15	Differential Tuition		378,000
16	Total Tuition	\$	24,488,000
17	State Funding Impact - FFS		10,337,000
18	State Funding Impact - SEP		9,280,000
19	Facilities and Administrative Overhead		3,167,000
20	Total New Resources	\$	47,272,000
21			
22	Financial Aid		4,230,000
23	Net New Resources	\$	43,042,000
24	New Expenses		
25	Multi-Year Central Investments in Strategic Initiatives	\$	3,385,000
26	Faculty/Staff Compensation		27,513,000
27	Academic Incentive Funding		1,665,000
28	Mandatory Costs		5,286,000
29	Quality Enhancements		6,116,000
30	Budget Reallocation		(4,083,000)
31			
32	Total New Expenses	\$	39,882,000
33			
34	Net New Incremental Budget Resources	\$	3,160,000
35	FY23 Structural Budget Deficit	\$	(5,871,000)
36	Total Base Budget Overage (Shortfall)	\$	(2,711,000)

1% RUG Increase = student share \$99/yr.
1% Increase NRUG = student share \$298.61/yr.

Base Assumptions

Resident Undergraduate 4%, \$396/yr.
Non-Resident Undergraduate 4%; \$1,194/yr.
Resident Graduate 3%; \$325/yr. and Resident Professional Veterinary Medicine 4%; \$1,457/yr.
Non-Resident Graduate 3%; \$797/yr. and Non-Resident Professional Veterinary Medicine 1%; \$607/yr.
Differential Tuition - UG ~ 4% (est. round to whole number)
Salary Increases Faculty/AP - Merit -5%
Salary Increases SC - 5%
Salary Increases Grads - 5%
Preliminary Mandatory Student Fees - 2.0%

CSU-Fort Collins Revised Funding Shortfall (Budget)

	Original Budget FY20	Original Budget FY21	Adjusted FY21	Original Budget FY22	Original Budget FY23	Projected Results FY23	4% Tuition FY24 - Incremental
Resources:							
1 Student tuition and fees (Less COF)							
2 Enrollment Growth (UG)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,118,000
3 Tuition Rate	-	-	-	-	-	-	16,370,000
4	\$ 436,191,460	\$ 403,179,642	\$ 411,985,642	\$ 426,084,644	\$ 447,324,533	\$ 455,443,000	\$ 24,488,000
5 State fee for service revenue (with COF)							
6 State Funding	\$ 149,975,416	\$ 62,803,527	\$ 57,947,681	\$ 160,802,000	\$ 178,077,467	\$ 178,077,467	\$ 19,617,000
7 CARES (1X)	-	79,554,679	84,410,525	-	-	-	-
8	\$ 149,975,416	\$ 142,358,206	\$ 142,358,206	\$ 160,802,000	\$ 178,077,467	\$ 178,077,467	\$ 19,617,000
9 Grants and contracts							
10 Direct	\$ 308,704,707	\$ 308,882,948	\$ 308,882,948	\$ 359,172,000	\$ 384,187,730	\$ 384,188,000	\$ -
11 Indirect (F&A)	54,000,000	54,000,000	54,000,000	55,000,000	59,000,000	59,000,000	3,167,000
12	\$ 362,704,707	\$ 362,882,948	\$ 362,882,948	\$ 414,172,000	\$ 443,187,730	\$ 443,188,000	\$ 3,167,000
13 Sales and services of educational activities							
14 PVM, AES, CES - Cash Operations	\$ 59,746,799	\$ 46,115,152	\$ 46,115,152	\$ 54,682,000	\$ 60,999,257	\$ 60,999,000	\$ -
15							
16 Auxiliary enterprises							
17 Housing and Dining Services	\$ 93,683,100	\$ 48,176,800	\$ 48,176,800	\$ 83,175,000	\$ 90,940,200	\$ 90,940,000	\$ -
18 Lory Student Center	32,281,300	26,624,500	26,624,500	27,026,000	28,672,800	28,672,800	-
19 Athletics	48,436,866	33,756,740	33,756,740	46,507,000	48,004,883	48,005,000	-
20 Other (CSUHN, Parking, Campus Rec, STUORG)	74,539,472	64,254,555	64,254,555	60,751,000	73,580,118	73,580,000	-
21	\$ 248,940,738	\$ 172,812,595	\$ 172,812,595	\$ 217,459,000	\$ 241,198,001	\$ 241,197,800	\$ -
22 Other operating revenue							
23 Seedling Tree, GENOPS, Continuing Ed	\$ 66,242,932	\$ 63,616,006	\$ 63,616,006	\$ 72,430,000	\$ 62,622,300	\$ 62,622,000	\$ -
24 Total Resources	\$ 1,323,802,052	\$ 1,190,964,549	\$ 1,199,770,549	\$ 1,345,630,000	\$ 1,433,409,000	\$ 1,441,527,267	\$ 47,272,000
25 Expenses:							
26 Total Expenses (includes Financial Aid)	\$ 1,323,802,052	\$ 1,246,783,549	\$ 1,246,783,549	\$ 1,360,532,000	\$ 1,439,279,824	\$ 1,439,280,000	\$ (40,029,000)
27 COVID Expenses (Screening, testing, contract tracing, quarantine, revenue losses)	-	-	14,703,813	-	-	2,000,000	-
28 Permanent Base Reductions/Salary Reinvestment	-	(17,000,000)	(17,000,000)	(1,998,000)	-	-	(4,083,000)
29 System Office Reallocation	-	(550,000)	(550,000)	-	-	-	-
30 Total Expenses	\$ 1,323,802,052	\$ 1,229,233,549	\$ 1,243,937,362	\$ 1,358,534,000	\$ 1,439,279,824	\$ 1,441,280,000	\$ (44,112,000)
31							
32 Net General Fund Impact	\$ -	\$ (38,269,000)	\$ (44,166,813)	\$ (12,904,000)	\$ (5,870,824)	\$ 247,267	\$ 3,160,000
33							
34 Less: Structural Budget Deficit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,871,000)
35 Less: One-Time FY21 Resources	-	-	-	-	-	-	-
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	\$ -	\$ -	\$ -	\$ (5,871,000)
41							
42 Net Shortfall	\$ -	\$ -	\$ -	\$ (12,904,000)	\$ (5,870,824)	\$ 247,267	\$ (2,711,000)

FY 2024 Incremental E&G Budget - V.3.2
Colorado State University Pueblo

April 20, 2023

UGResTuition: 3%; State:
 10.6%; Salary inc: 5% ALL

New Resources

	Tuition		
	Undergraduate Rate Increase:		
1	Undergraduate Resident Tuition	\$	504,000
2	Non-Resident (includes TWOLF & WUE rate)		304,000
3	Undergraduate Differential Tuition		19,000
	Graduate Rate Increase:		
4	Graduate Resident Tuition	\$	175,000
5	Graduate Differential Tuition		10,000
6	Projected Enrollment Revenue Change (-3%)		(750,000)
7	Total Tuition		<u>262,000</u>
8	State Funding Impact	\$	2,570,000
9	Other Resources (estimate)		1,110,000
10	Total New Resources	\$	<u>3,942,000</u>
11	Financial Aid		66,000
12	Net New Resources	\$	<u>3,880,000</u>
	New Expenses		
13	Expense Reduction (savings from compensation management)		(1,000,000)
14	Faculty/Staff Comp (includes Fac/AP/SC ,fringe & Equity increases)	\$	1,730,000
15	Mandatory Costs	\$	1,420,000
16	Total New Expenses	\$	<u>2,150,000</u>
17	Net	\$	<u>1,730,000</u>
	Structural Deficit		
18	FY23 Budget Shortfall (includes FY23 Incremental Net Change)	\$	(2,723,000)
19	One-time Budget Resources (EG Fund Balance)	\$	1,000,000
20	Total Net Shortfall	\$	<u>-</u>

Tuition Increase: 3% Ugrad Res; 7% Ugrad Nres; 19% Grad Res; -24% Grad Nres; In FY21, ugrad nres rate was reduced to WUE rate. The 7% is necessary for a phased in approach that will get us back to a standard non-resident rate and give more of a differentiation between WUE and non-residents.

3% decline in ug and 0% grad enrollment

Spring Melt = 11%

Salary Increase Faculty / Administrative Professionals (5%)

Salary Increase State Classified Staff (5 %)

Mandatory Costs include: utilities, maintenance costs, statewide indirect costs, library subscriptions, sheriff's contract, payments to risk management (liability and property insurance), information technology inflation, system costs, audit expenditures, athletic support, and add'l initiative costs.

Colorado State University Pueblo All Funds Summary

	Original		Adjusted		Original		Adjusted		Original		Projected Results		3% Res UG Tuition Increase; 10.6% State funding	3% Res UG Tuition Increase; 10.6% State funding			
	FY21		FY21		FY22		FY22		FY23		FY23		FY24 - Estimate	Est \$ Change FY23 to FY24			
Resources:																	
1	Student Tuition and Fees (less COF) ¹																
2	Enrollment Change (UG & GR)																
3													(750,000)	(750,000)			
4													1,012,000	1,012,000			
	\$	39,551,124	\$	40,651,124	\$	41,559,927	\$	38,850,783	\$	38,932,783	\$	38,932,783	\$	39,194,783	\$	262,000	
5	State Fee for Service Revenue (with COF)																
6	State Funding																
7		10,849,369		5,993,523		22,541,141		22,541,141		24,283,024		24,283,024		26,853,053		2,570,029	
8				4,855,846													
9																	
	\$	19,793,695	\$	19,793,695	\$	22,541,141	\$	22,541,141	\$	24,283,024	\$	24,283,024	\$	26,853,053	\$	2,570,029	
10	Sales and Services of Educational Activities																
11		630,000		525,000		550,000		550,000		550,000		550,000		550,000		-	
12	Auxiliary Enterprises																
13		5,605,249		4,400,000		4,939,156		4,939,156		4,939,156		4,939,156		4,939,156		-	
14		146,500		-		148,000		148,000		148,000		148,000		148,000		-	
15		6,521,740		6,026,740		7,301,990		7,301,990		7,301,990		7,301,990		7,301,990		-	
16		1,829,100		1,300,084		1,838,100		1,838,100		1,838,100		1,838,100		1,838,100		-	
	\$	16,739,105	\$	11,726,824	\$	14,227,246	\$	14,227,246	\$	14,227,246	\$	14,227,246	\$	14,227,246	\$	-	
17	Other Operating Revenue																
18		2,636,516		2,000,000		2,790,856		3,200,000		3,200,000		3,200,000		3,200,000		-	
19		1,155,000		1,250,000		1,500,000		1,500,000		3,300,000		3,300,000		4,410,000		1,110,000	
20						1,300,000											
21																	
	Total Resources	\$	80,505,440	\$	75,946,643	\$	83,169,170	\$	82,169,170	\$	84,493,053	\$	84,493,053	\$	88,435,082	\$	3,942,029
Expenses																	
22	Total Expenses (includes Financial Aid)																
23		86,856,335		80,002,714		86,641,838		85,641,838		87,215,722		87,215,722		89,431,722		2,216,000	
24				3,301,638													
25																	
	Total	\$	86,856,335	\$	83,304,352	\$	86,641,838	\$	85,641,838	\$	87,215,722	\$	87,215,722	\$	89,431,722	\$	2,216,000
26	Net Impact resources less expenses																
	\$	(6,350,895)	\$	(7,357,709)	\$	(3,473,000)	\$	(3,473,000)	\$	(2,723,000)	\$	(2,723,000)	\$	(1,000,000)	\$	1,730,000	
27	Less Structural Budget Deficit																
28		-		-		-		-		-		-		-		(2,723,000)	
29	One-Time Resources																
30		3,000,000															
31		3,350,895															
32				7,357,709													
33						3,472,668		3,472,668									
34																1,000,000	
		6,350,895		7,357,709		3,472,668		3,472,668									
35	Total Net Shortfall	\$	-	\$	-	\$	-	\$	-	\$	(2,723,000)	\$	(2,723,000)	\$	(1,000,000)	\$	-

¹ Includes all tuition revenue including Extended Studies

² A reallocation in CARES funding reduces this to \$5,993,523; difference made up with Fee for Service Funds.

CSU System Treasury



CSU SYSTEM TREASURY PERFORMANCE

Colorado State University System									
Operating Portfolio									
March 31, 2023									
	Market Value				Gain/Loss Since Inception	Returns			
	March 31, 2022	Sept 30, 2022	Dec 31, 2022	March 31, 2023		Last Quarter	Last 6 months	Last Year	
Tier 1									
State Treasury Pool *	539,363,551	555,531,531	302,177,291	415,414,683		2.98%	2.79%	2.27%	
Less scoop and toss cash ⁽¹⁾	(150,741,121)	(174,769,914)	(561,644)	(53,061,916)					
State Treasury Pool Actual	388,622,431	380,761,617	301,615,648	362,352,767					
US Treasuries ⁽¹⁾									
Money Market Funds	61,332,862	61,521,237	61,878,168	62,504,354		0.70%	1.45%	1.93%	
3-mo T-Bill						1.07%	1.93%	2.50%	
Tier 2									
Separately Managed - BBH	57,635,390	55,879,831	56,614,299	55,611,583	611,583	1.85%	3.26%	0.21%	
Bloomberg Gov/Cred 1-5 Yr						1.82%	3.04%	-0.33%	
Tier 3									
Fidelity 500 Index	121,103,357	96,634,697	103,936,274	111,442,630	39,242,630	7.22%	15.32%	-7.98%	
S&P 500 Index						7.50%	15.62%	-7.73%	
Vanguard Extended Market Index	34,931,308	26,954,321	28,333,184	29,990,618	5,890,618	5.85%	11.26%	-14.14%	
Vanguard Spliced Ext Mkt Index						5.80%	11.17%	-14.27%	
Vanguard Total Intl Stock Index	83,202,841	64,880,245	74,428,724	79,378,923	10,778,923	6.65%	22.35%	-4.60%	
Vanguard Spliced Intl Index						6.42%	21.47%	-5.71%	
Separately Managed - PGIM	108,298,370	97,187,942	99,296,772	102,268,714	(2,912,058)	3.36%	5.69%	-5.11%	
Bloomberg Aggregate						2.96%	4.89%	-4.78%	
Total Operating Less State Treasury Pool	\$ 466,504,127	\$ 403,058,272	\$ 424,487,420	\$ 441,196,822	\$ 53,611,695	4.46%	10.07%	-4.85%	
Total Operating Portfolio	\$ 855,126,558	\$ 783,819,890	\$ 726,103,068	\$ 803,549,589	\$ 53,611,695				
Less \$21M Rural Colorado and Student Success Initiatives (\$8.5M funded to date)					(12,500,000)				
Less \$1.5M Presidential Separation (funded March 2023)					-				
Less Interest Earnings Distributed to CSU-Fort Collins					(18,409,671)				
Total Undistributed Gain/Loss					\$ 22,702,024				
*Return represents "net credit rate" from State Treasury Pool									
⁽¹⁾ \$175M of scoop and toss cash invested in a Treasury Note in November 2022									

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.



CSU System Treasury Update

- Operating Portfolio Performance less State Treasurer Pool (daily liquidity)
 - Market value as of March 31, 2023: \$441,196,822
 - -4.85% return for the last year (April 2022 – March 2023)
 - 10.07% return for the last 6 months (September 2022 – March 2023)
 - 4.46% return for the last quarter (January – March 2023)
- The State Treasurer Pool distributed a “net credited rate” of 2.27% over the last year (April 2022- March 2023). As of March 31, 2023, there was \$53M of scoop and toss cash at the State Treasury and \$178.5M invested in a Treasury Note. Maturity of the \$230M scoop and toss debt is March 1, 2024.
- The portfolio reflects \$53.6M in net gains since inception, July 2018. Of prior gains, \$10M was liquidated in February 2023. \$22.7M of undistributed gains remain after other obligations. Some notes on the gains:
 - \$21M earmarked for Board of Governors’ initiatives (Rural Colorado and Student Success). \$8.5M liquidated for current implementation. Remainder will stay invested until cash needs are closer in time.
 - \$1.5M has been liquidated and paid to fund the presidential separation for Joyce McConnell in March 2023
 - \$18.4M has been distributed to CSU-Fort Collins in interest earnings
- The Investment Advisory Committee met April 26, 2023

Twenty Third Supplemental Bond Resolution – Amended and Restated

- Authorizes the refunding of up to \$225M of Tender Offer Bonds
 - Not to exceed true interest cost of 5.5%
 - Bonds maturing no later than March 2055
 - Resulting in no less than an aggregate 3% NPV principal savings
- Updates the ISDA Master Agreement for the SWAPs between Royal Bank of Canada and CSU

**BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM**

**AMENDED AND RESTATED
TWENTY THIRD SUPPLEMENTAL RESOLUTION**

Authorizing the issuance of one or more series of:

Board of Governors of the Colorado State University System
System Enterprise Revenue Refunding Bonds
Series 2023A

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SERIES]

AMENDED AND RESTATED TWENTY THIRD SUPPLEMENTAL RESOLUTION

WITNESSETH:

WHEREAS, the Board of Governors of the Colorado State University System (the “Board”) has adopted a Master System Enterprise Bond Resolution on June 20, 2007, as previously supplemented (the “Master Resolution”); and

WHEREAS, on October 7, 2022, the Board adopted the Twenty Third Supplemental Resolution pursuant to and in accordance with the Master Resolution; and

WHEREAS, the Refunding Bonds contemplated by such Twenty Third Supplemental Resolution were not issued and the Board now desires to amend and restate such Twenty Third Supplemental Resolution in its entirety; and

WHEREAS, all references herein to the Twenty Third Supplemental Resolution shall mean this Amended and Restated Twenty Third Supplemental Resolution as adopted on the date set forth below; and

WHEREAS, the Board has determined to authorize hereby the issuance of Bonds, in one or more series or subseries, to be designated “The Board of Governors of the Colorado State University System, System Enterprise Revenue Refunding Bonds, Series 2023A” (referred to herein as the “Refunding Bonds” or the “Series 2023A Bonds”) for the purposes of (a) defraying the cost of financing the Refunding Project, as further described herein; and (b) paying certain costs relating to the issuance thereof, in accordance with and as provided by the Master Resolution and this Twenty Third Supplemental Resolution; and

WHEREAS, Senate Bill 22-121, codified in pertinent part at Section 23-5-103, Colorado Revised Statutes, as amended (“SB22-121”), authorizes the Board to pledge one hundred percent of its Tuition Revenues (as defined in the Master Resolution and as amended hereby); and

WHEREAS, pursuant to SB22-121, the Board desires to amend the definition of Gross Revenues so that one hundred percent of its Tuition Revenues (as defined in the Master Resolution and as amended hereby) are pledged under the Master Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF GOVERNORS OF THE COLORADO STATE UNIVERSITY SYSTEM:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Except as provided below in this Section, all terms which are defined in Section 1.01 of the Master Resolution shall have the same meanings, respectively, in this Twenty Third Supplemental Resolution as such terms are given in the Master Resolution. In addition, the following terms shall have the following respective meanings:

“*Authorized Denomination*” shall have the meaning set forth in the Pricing Certificate.

“*Board Representative*” means the Chair of the Board, the Secretary of the Board, the Chancellor of the System, General Counsel to the System, the Chief Financial Officer of the System, the Treasurer of the System or the CSU Controller and any other officer of the System subsequently designated by the Board or the Chief Financial Officer to be the Board Representative with respect to all matters affecting the Bonds.

“*Bond Insurance Policy*” means the municipal bond new issue insurance policy issued by the Bond Insurer, if any, that guarantees payment of principal of and interest on all or a portion of the Series 2023A Bonds.

“*Bond Insurer*” means such municipal bond insurance company, if any, as shall be selected to provide credit enhancement with respect to all or any portion of the Series 2023A Bonds, as designated in the Pricing Certificate.

“*Continuing Disclosure Undertaking*” means any Continuing Disclosure Undertaking of the Board with respect to the Series 2023A Bonds authorized in Section 2.06 hereof; provided, however, that the Continuing Disclosure Undertaking may refer to multiple undertakings in the event the Series 2023A Bonds are issued in more than one series.

“*Escrow Account*” means the escrow account established by the Escrow Agreement.

“*Escrow Agent*” means Zions Bancorporation, National Association (formerly, Zions First National Bank), Denver, Colorado, and its successors and assigns.

“*Escrow Agreement*” means any Escrow Deposit Agreement, dated as of the dated date of the Refunding Bonds, by and between the Escrow Agent and the Board; provided, however, that the Escrow Agreement may refer to multiple Escrow Agreements in the event the Refunding Bonds are issued in more than one series.

“*Expense Account*” means the account created in Section 5.02(b) hereof for each series of the Refunded Bonds.

“*Financial Consultant*” means, with respect to the Series 2023A Bonds, North Slope Capital Advisors, Denver, Colorado, in its capacity as municipal advisor, and any successor thereto.

“*Interest Payment Date*” means (a) each March 1 and September 1, commencing on the date or dates set forth in the Pricing Certificate with respect to the Series 2023A Bonds; (b) any other date or dates that interest is due and payable with respect to the Series 2023A Bonds as set forth in the Pricing Certificate with respect to the Series 2023A Bonds; and (c) the final maturity date of or any redemption date of each Series 2023A Bonds.

“*Issue Date*” means the date or dates (in the event the Series 2023A Bonds are issued in more than one series) on which the Series 2023A Bonds are first delivered to the initial purchasers thereof against payment therefor.

“*Master Resolution*” means the Master Resolution adopted by the Board on June 20, 2007, as previously amended and supplemented and as may be further amended and supplemented from time to time.

“*Official Statement*” means any final Official Statement relating to the Series 2023A Bonds, including any supplements thereto; provided, however, that the Official Statement may refer to multiple Official Statements in the event the Series 2023A Bonds are issued in more than one series.

“*Paying Agency Agreement*” means the Paying Agency, Transfer Agency and Bond Registrar Agreement, by and between the Board and the Paying Agent relating to the Series 2023A Bonds; provided, however, that the Paying Agent Agreement may refer to multiple agreements in the event the Series 2023A Bonds are issued in more than one series.

“*Paying Agent*” means Zions Bancorporation, National Association (formerly, Zions First National Bank), Denver, Colorado, acting as agent of the Board for the payment of the principal of, premium, if any, and interest on the Series 2023A Bonds, and any successor thereto.

“*Preliminary Official Statement*” means any Preliminary Official Statement relating to the Series 2023A Bonds, including any supplements thereto; provided, however, that the Preliminary Official Statement may refer to multiple Preliminary Official Statements in the event the Series 2023A Bonds are issued in more than one series.

“*Pricing Certificate*” means a certificate executed by the Board Representative and evidencing the determinations made pursuant to Section 3.03(b) of this Twenty Third Supplemental Resolution; provided, however, that the Pricing Certificate may refer to multiple certificates, in the event the Series 2023A Bonds are issued in more than one series, and provided further that the provisions of any Pricing Certificate shall be deemed to be incorporated into this Twenty Third Supplemental Resolution.

“*Purchase Contract*” means any purchase contract or bond purchase agreement relating to the Series 2023A Bonds between the Board and the Underwriters; provided, however, that the Purchase Contract may refer to multiple contracts or agreements in the event the Series 2023A Bonds are issued in more than one series.

“*Refunded Bonds*” means those obligations of the Board to be refunded, paid and discharged with a portion of the proceeds of one or more series of the Refunding Bonds, as designated in the applicable Pricing Certificate and, if applicable, the Escrow Agreement.

“*Refunding Bonds*” or “*Series 2023A Bonds*” means the Bonds issued in one or more series or subseries hereunder and designated as “The Board of Governors of the Colorado State University System, System Enterprise Revenue Refunding Bonds, Series 2023A,” and as more particularly designated in the Pricing Certificate.

“*Refunding Project*” means the refunding, payment and discharge of the Refunded Bonds.

“*Registrar*” means the Paying Agent acting as agent of the Board for the registration of the Series 2023A Bonds, and any successor thereto.

“*Regular Record Date*” means the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding each regularly scheduled Interest Payment Date for the Series 2023A Bonds.

“*Resolution*” means the Master Resolution as supplemented by this Twenty Third Supplemental Resolution.

“*State*” means the State of Colorado.

“*State Intercept Act*” means Section 23-5-139, Colorado Revised Statutes, as amended.

“*State Intercept Program*” means the Higher Education Revenue Bond Intercept Program, established pursuant to the State Intercept Act.

“*Taxable Obligation*” means any Series 2023A Bonds the interest on which is not excludable from gross income of the holder thereof for federal income tax purposes, which, with respect to the Series 2023A Bonds, shall be determined by the Board Representative, in accordance with the Article VII hereof titled “FEDERAL TAX LAW MATTERS” and set forth in the Pricing Certificate.

“*Tax Certificate*” means the Tax Certificate relating to the Series 2023A Bonds, executed by the Board on the date of issuance of the Series 2023A Bonds; provided, however, that the Tax Certificate may refer to multiple tax compliance certificates executed in connection with the Series 2023A Bonds.

“*Tax Exempt Obligation*” means any Series 2023A Bonds the interest on which is excludable from gross income of the holder thereof for federal income tax purposes, which, with respect to the Series 2023A Bonds, shall be determined by the Board Representative, in accordance with Article VII hereof title “FEDERAL TAX LAW MATTERS” and set forth in the Pricing Certificate.

“*Twenty Third Supplemental Resolution*” means this Amended and Restated Twenty Third Supplemental Resolution adopted by the Board on May __, 2023.

“*Underwriters*” means, in the determination of the Board, any combination of investment banking firms, financial institutions or commercial banks selected by the Board, acting as underwriters, direct purchasers or lenders in connection with the sale of the Series 2023A Bonds.

Section 1.02. Construction. This Twenty Third Supplemental Resolution shall be construed as follows:

(a) The captions herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions hereof.

(b) Any Series 2023A Bond held by the Board shall not be deemed to be Outstanding for the purpose of redemption, for the purpose of consents hereunder or for any other purpose.

Section 1.03. Successors. All of the covenants, stipulations, obligations and agreements by or on behalf of and any other provisions for the benefit of the System or the Board set forth in the Resolution shall bind and inure to the benefit of any successors thereof and shall bind and inure to the benefit of any officer, board, district, commission, authority, agent, enterprise or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the System or the Board or of their respective successors, if any, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements, or other provisions hereof.

Section 1.04. Parties Interested Herein. Except as otherwise expressly provided in the Resolution, nothing expressed or implied in the Resolution is intended or shall be construed to confer upon or to give to any Person, other than the System, the Board, the Paying Agent, the Bond Insurer, if any, and the owners from time to time of the Series 2023A Bonds, any right, remedy or claim under or by reason hereof or any covenant, condition or stipulation hereof. All the covenants, stipulations, promises and agreements set forth herein by and on behalf of the System shall be for the sole and exclusive benefit of the System, the Board, the Paying Agent, the Bond Insurer, if any, and the owners from time to time of the Series 2023A Bonds.

Section 1.05. Ratification. All action heretofore taken (not inconsistent with the provisions of the Resolution) by the officers of the Board, the officers of the System, the Financial Consultant, and otherwise by the Board directed toward the Refunding Project and the issuance, sale and delivery of the Series 2023A Bonds for such purposes, be, and the same hereby is, ratified, approved and confirmed, including, without limitation, the sale of the Series 2023A Bonds as provided in the Purchase Contract and the preparation and distribution of the Preliminary Official Statement and final Official Statement in connection therewith.

Section 1.06. Resolution Irrepealable. After any Series 2023A Bonds are issued, the Resolution shall constitute an irrevocable contract between the Board and owners of the Series 2023A Bonds; and the Resolution shall be and remain irrepealable until the Series 2023A Bonds and the interest thereon shall be fully paid, as herein provided.

Section 1.07. Repealer. All bylaws, orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or part thereof, heretofore repealed.

Section 1.08. Severability. If any provision of the Resolution shall be held invalid or unenforceable, such holding shall not affect any other provisions hereof.

Section 1.09. Effective Date. This Twenty Third Supplemental Resolution shall become effective immediately upon its passage. Pursuant to the Supplemental Public Securities Act, the Board by subsequent action may renew this Twenty Third Supplemental Resolution on an annual basis by amending and/or extending the effective date.

ARTICLE II

AUTHORIZATION OF REFUNDING PROJECT AND CERTAIN RELATED DOCUMENTS

Section 2.01. Authority for Resolution. The Resolution is adopted by virtue of the plenary powers of the Board as a constitutionally established body corporate under Article VIII, Section 5 of the Constitution of the State and under the particular authority of the Auxiliary Facilities Enterprise Act, the Institutional Enterprise Statute, the Refunding Act, the Research Building Fund Act, the State Intercept Act (if applicable) and the Supplemental Public Securities Act. The Board has ascertained and hereby determines that each matter and thing as to which provision is made herein is necessary in order to carry out and effectuate the purposes of the Board in accordance with such powers and authority.

Section 2.02. Necessity of the Refunding Project and Series 2023A Bonds. It is necessary and in the best interests of the Board and the System that the Board undertake the Refunding Project as herein authorized and obtain funds therefor by issuing the Series 2023A Bonds; and the Board hereby so determines and declares.

Section 2.03. Authorization of the Refunding Project. The Board hereby determines to undertake the Refunding Project pursuant to the Auxiliary Facilities Enterprise Act, the Institutional Enterprise Statute, the Refunding Act, the Research Building Fund Act, the State Intercept Act (if applicable), the Supplemental Public Securities Act, and applicable provisions of the Code, and further determines that all requirements and limitations of such statutes have been met.

In addition, the Board hereby determines that (a) the limitations and requirements imposed by the Master Resolution for the issuance of Bonds have been met and (b) the Refunding Project is hereby authorized.

The Board hereby determines that the Refunding Project will accomplish certain economies advantageous to the Board and the System.

In connection with the Refunding Project, the Board approves inviting tenders of certain of its Outstanding Bonds (the "Tender Offer"). All documents necessary to conduct the Tender Offer are hereby approved by the Board (the "Tender Documents"). A portion of the Series 2023A Bonds may be used to fund the Tender Offer. A Board Representative is hereby authorized to determine the tender prices (the "Tender Price") for any Bonds tendered pursuant to the Tender Offer.

Section 2.04. Provision for Sale of Series 2023A Bonds and Execution of Purchase Contract. The Board Representative and the officers of the Board, or any of them, are hereby authorized, for and on behalf of the Board, to accept and execute the Purchase Contract submitted by the Underwriters for the purchase of the Series 2023A Bonds, in substantially the form filed with the Board on or following the date of adoption of this Twenty Third Supplemental Resolution, bearing interest at the rates therein designated and otherwise upon the terms and conditions

provided in this Twenty Third Supplemental Resolution, the Pricing Certificate and such Purchase Contract.

Section 2.05. Execution of Paying Agency Agreement and Escrow Agreement. The appropriate officers of the Board, as designated in the Paying Agency Agreement and Escrow Agreement, are hereby authorized to complete and execute the Paying Agency Agreement and Escrow Agreement on behalf of and in the name of the Board, in substantially the forms filed with the Board following the date of adoption of this Twenty Third Supplemental Resolution.

Section 2.06. Approval and Use of Preliminary Official Statement and Official Statement; Rule 15c2-12; Continuing Disclosure Undertaking. The distribution and use of a Preliminary Official Statement relating to the Series 2023A Bonds, in substantially the form filed with the Board on or following the date of adoption of this Twenty Third Supplemental Resolution, is hereby approved with such changes as may be necessary for the sale of the Series 2023A Bonds. The Chair of the Board, the Chancellor of the System and/or the Board Representative is each hereby authorized, directed and empowered to determine when such Preliminary Official Statement may be deemed final within the meaning of Securities and Exchange Rule 15c2-12, subject to permitted omissions, and thereupon to give a certificate to such effect. The Chair of the Board, the Chancellor of the System and/or the Board Representative is each hereby authorized to execute and deliver the final Official Statement relating to the Series 2023A Bonds and the Underwriters may thereafter distribute the same. The appropriate officers of the Board and the System are hereby authorized to complete and execute the Continuing Disclosure Undertaking on behalf of and in the name of the Board, in substantially the form attached to the Preliminary Official Statement.

Section 2.07. Bond Insurance. In the event that it is determined to obtain a municipal bond insurance policy insuring the payment when due of the principal of and interest on all or a portion of the Series 2023A Bonds, as provided in Section 3.03(b)(ii) hereof and the Pricing Certificate, the completion, execution and delivery of all documents relating to and required or necessary in connection with such municipal bond insurance policy by the appropriate officers of the Board and the System are hereby authorized and approved. To the extent provided therein, the provisions of any agreement between the Board and the Bond Insurer, as contemplated in this Section 2.08, shall be deemed to be incorporated in this Twenty Third Supplemental Resolution and shall be enforceable as if set forth herein.

Section 2.08. Execution of Documents. The following individuals, namely: the Chair of the Board, the Secretary of the Board, the Chancellor of the System, General Counsel to the System, the Chief Financial Officer of the System, the Treasurer of the System and the CSU Controller (and any other officers authorized by law to act on their behalf in their absence) are hereby each authorized to execute and deliver, this Twenty Third Supplemental Resolution, and, as appropriate in connection with each series of Series 2023A Bonds issued hereunder, the Purchase Contract, the Pricing Certificate, the Paying Agency Agreement, the Escrow Agreement, the Continuing Disclosure Undertaking, the Official Statement, the Tender Documents, any documents required in connection with any Credit Enhanced Bonds, and any other documents or certificates necessary or appropriate to close the sale of the Series 2023A Bonds and all related transactions and to take any action with respect to any matter required to accomplish the same.

Any documents, agreements, confirmations and certificates executed, or to be executed, in connection with or related to the ISDA Master Agreement, dated as of January 5, 2018, as amended and supplemented from time to time (the “Swap Documents”), by and between the Board and the Royal Bank of Canada, are hereby ratified, authorized and approved. A Board Representative is hereby authorized and directed to execute any such documents, agreements, confirmations and certificates.

In the event that any Board Representative or any other officer that is authorized or directed to execute any agreement, assignment, instrument, document or certificate, including the Series 2023A Bonds, in accordance with this Twenty Third Supplemental Resolution (collectively, the “Authorized Documents”) is not able to be physically present to manually sign any such Authorized Document, such individual or individuals are hereby authorized to execute Authorized Documents electronically via facsimile or email signature. Any electronic signature so affixed to any Authorized Document shall carry the full legal force and effect of any original, handwritten signature. This provision is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act.

ARTICLE III

AUTHORIZATION AND TERMS OF SERIES 2023A BONDS

Section 3.01. Authorization of Series 2023A Bonds. Pursuant to the provisions of the Master Resolution, there is hereby authorized the borrowing of funds, and to evidence such borrowing there are hereby authorized one or more series Bonds of the Board designated “The Board of Governors of the Colorado State University System, System Enterprise Revenue Refunding Bonds, Series 2023A,” or as more particularly designated in the Pricing Certificate, including the year of issuance. If, in accordance with the Article VII titled “FEDERAL TAX LAW MATTERS,” the Board Representative shall determine that any series of Series 2023A Bonds shall constitute a Taxable Obligation, the title of such series shall further include the following: “Taxable.” The full title of any and all series of bonds issued hereunder shall be determined by the Board Representative in accordance with the foregoing, and shall be set forth in the Pricing Certificate.

Section 3.02. Purposes. The Series 2023A Bonds are authorized for the purposes of funding the Refunding Project and paying certain costs of issuance relating to the Series 2023A Bonds, all as more specifically provided in Article V hereof.

Section 3.03. Terms of Series 2023A Bonds, Generally.

(a) **Registered Form; Numbers and Date.** The Series 2023A Bonds shall be issued in fully registered form and shall be numbered from one upward in consecutive numerical order preceded by the letter “R.” The registered Owner of all Series 2023A Bonds shall be a Securities Depository in accordance with the Master Resolution. The Series 2023A Bonds shall be dated the Issue Date.

(b) **Principal Amounts; Maturities; Interest Rates.** The Series 2023A Bonds shall mature, subject to the right of prior redemption as provided in Article IV hereof, on

the dates and in the aggregate principal amounts, and shall bear interest, payable on each Interest Payment Date, as provided below:

(i) *Parameters.* Any Series 2023A Bonds, issued in one or more series or subseries, shall be issued in an aggregate principal amount not to exceed \$225,000,000 for the Refunding Project. Any Series 2023A Bonds, issued in one or more series or subseries as fixed rate obligations, shall bear interest at such taxable and/or tax exempt rate or rates resulting in a true interest cost not exceeding 5.50% with respect to any debt issued hereunder. Notwithstanding the foregoing, Credit Enhanced Bonds or Series 2023A Bonds issued with a variable, adjustable, convertible or similar interest rate may have a maximum interest rate not in excess of 18% per annum. Any Series 2023A Bonds may mature as term bonds or serial bonds, or both, not later than March 1, 2055. The Refunding Project shall result in no less than an aggregate 3% present value savings measured by the principal amount refunded.

(ii) *Delegated Powers.* The Board Representative is authorized, without further approval of the Board, to make any and all determinations listed in Section 11-57-205(1), Colorado Revised Statutes, as amended, provided such determinations are not inconsistent with the standards set forth in this Twenty Third Supplemental Resolution. In furtherance thereof, the Board Representative is hereby authorized, without further approval of the Board, to determine in conformity with the standards set forth in this Twenty Third Supplemental Resolution and after the Series 2023A Bonds have been priced in the market: (A) the final designation of one or more series or subseries of the Series 2023A Bonds; (B) the principal amount of each series or subseries of the Series 2023A Bonds; (C) the coupon interest rate or rates (whether fixed or variable, adjustable, convertible or similar interest rate) on the Series 2023A Bonds; (D) the maturity or maturities of the Series 2023A Bonds (any of which may include Series 2023A Bonds bearing different interest rates) and the amount and date of any mandatory sinking fund redemption; (E) provisions for the optional, mandatory or extraordinary redemption or tender of any or all of the Series 2023A Bonds prior to maturity; (F) the purchase price of the Series 2023A Bonds; (G) whether the Series 2023A Bonds will constitute Tax Exempt Obligations, Taxable Obligations, and the other matters set forth in Article VII hereof entitled "FEDERAL TAX LAW MATTERS"; (H) whether or not to utilize bond insurance, a Credit Facility or a debt service reserve policy for the Series 2023A Bonds and the execution of all agreements, documents and certificates in connection therewith; (I) whether or not the Series 2023A Bonds will be sold pursuant to a negotiated sale, a competitive sale or direct placement; all as may be necessary to effect the Refunding Project in a manner consistent with this Twenty Third Supplemental Resolution; including the estimated true interest cost of the Series 2023A Bonds and the Underwriter's or purchaser's discount or fee relating to the Series 2023A Bonds; (J) which Outstanding Bonds, if any, will be refunded; (K) whether or not to qualify any of the Series 2023A Bonds under the State Intercept Program; and (L) whether or not to accept any

Tender Offers at the Tender Prices bid. The Board Representative is also authorized, without further approval of the Board to appoint a different Paying Agent or Escrow Agent that are named herein if that is determined by the Board Representative to be favorable to the Board. The determinations described herein shall be evidenced by a Pricing Certificate filed with the Board, and except as otherwise expressly provided herein or in the Master Resolution, the terms of the Series 2023A Bonds shall be as set forth in the Pricing Certificate and incorporated by reference into this Twenty Third Supplemental Resolution.

(c) ***Authorized Denominations.*** The Series 2023A Bonds shall be issued in Authorized Denominations.

(d) ***Computation of Interest.*** Each Series 2023A Bond shall bear interest at the applicable rate in accordance with Section 3.03(b) hereof, (i) from the date of authentication, if authenticated on an Interest Payment Date to which interest has been paid or duly provided for; or (ii) from the last preceding Interest Payment Date to which interest has been paid or duly provided for (or the Issue Date if no interest thereon has been paid or duly provided for) in all other cases. The amount of interest so payable on Series 2023A Bonds on any Interest Payment Date shall be computed on the basis of a 360-day year of twelve 30-day months, unless an alternative computational convention is set forth in the Pricing Certificate.

(e) ***Appointment of Escrow Agent and Paying Agent and Registrar.*** Zions Bancorporation, National Association (formerly, Zions First National Bank), is hereby appointed the Escrow Agent and Zions Bancorporation, National Association (formerly, Zions First National Bank) is hereby appointed the Paying Agent.

Section 3.04. Payment of Bond Requirements.

(a) ***Principal and Final Interest.*** The principal or Redemption Price of and the final interest payment on any Series 2023A Bond shall be payable to the owner thereof as shown on the registration books maintained by the Registrar upon maturity or prior redemption thereof and upon presentation and surrender at the principal office of the Paying Agent. If any Series 2023A Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest (but without compounding of interest) at the rate borne by it until the principal thereof is paid in full.

(b) ***Interest.*** The interest due on any Series 2023A Bond on any Interest Payment Date shall be paid to the owner thereof, as shown on the registration books kept by the Registrar at the close of business on the Regular Record Date. Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the owner of such Series 2023A Bond on the Regular Record Date and shall be payable to the person who is the owner of such Series 2023A Bond at the close of business on a Special Record Date for the payment of any such defaulted interest. Such Special Record Date shall be fixed in accordance with Section 3.10 of the Master Resolution.

(c) **Payment of Interest.** All payments of interest on any Series 2023A Bond shall be paid to the person entitled thereto pursuant to Section 3.04(b) above by check mailed on the Interest Payment Date to his or her address as it appears on the registration books kept by the Registrar (or, in the case of defaulted interest, the date selected by the Registrar for the payment of such defaulted interest), or, at the option of any owner of \$1,000,000 or more in principal amount of Series 2023A Bonds, by wire transfer on such date to a bank within the continental United States as directed by such owner.

(d) **State Intercept Program.** The Board may elect to utilize the State Intercept Program for all or a portion of the Refunding Project. The final determination of which Series 2023A Bonds (and any series thereof) are subject to the State Intercept Program shall be set forth in the Pricing Certificate. The Board is hereby directed to file with the State Treasurer a copy of this Twenty Third Supplemental Resolution, the Pricing Certificate and the Official Statement. The Board shall also make such filings as are required by the State Intercept Act. The Board hereby directs the Board Representative to take all action necessary to comply with the provisions of the State Intercept Act and qualify the Series 2023A Bonds for the State Intercept Program. In the event that payments of the principal of and interest on the Series 2023A Bonds are made by the State Treasurer pursuant to the provisions of the State Intercept Program, the Board hereby agrees that, to the extent such amounts paid by the State Treasurer have not been recovered by the State Treasurer from the sources set forth in Section 23-5-139(3) of the State Intercept Act, the Board shall, solely from Net Revenues remaining in the Revenue Fund and that are available for such purpose, pay to the State Treasurer an amount equal to the principal and interest payments made by the State Treasurer, less any such amounts previously recovered by or paid to the State Treasurer.

Section 3.05. Bond Form. Subject to the provisions of this Twenty Third Supplemental Resolution, the Series 2023A Bonds shall be in substantially the form set forth in Exhibit A hereto, with such omissions, insertions, endorsements and variations as to any recitals of fact or other provisions as may be required by the circumstances, be required or permitted by the Master Resolution, or be consistent with the Master Resolution.

Section 3.06. State Tax Exemption. Pursuant to Section 23-5-105, Colorado Revised Statutes, as amended, the Series 2023A Bonds, their transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof.

ARTICLE IV

REDEMPTION OF SERIES 2023A BONDS

Section 4.01. Optional Redemption or Make Whole Redemption. The Series 2023A Bonds shall be subject to redemption prior to maturity at the option of the Board or make whole redemption, if at all, on the dates and at the Redemption Prices as set forth in the Pricing Certificate.

Section 4.02. Mandatory Sinking Fund. The Series 2023A Bonds shall be subject to mandatory sinking fund redemption, if at all, on the dates and in the principal amounts as set forth in the Pricing Certificate.

Section 4.03. Selection of Series 2023A Bonds for Redemption. If less than all of the Series 2023A Bonds are called for prior redemption hereunder, the Series 2023A Bonds or portions to be redeemed shall be redeemed in such order of maturities as shall be specified by the Board. If less than all Series 2023A Bonds or portions thereof of a single maturity and rate are to be redeemed, they shall be selected by lot in such manner as the Paying Agent may determine. In the case of a Series 2023A Bond of a denomination larger than an Authorized Denomination, such Series 2023A Bond may be redeemed only in principal amounts equal to any integral multiple of the minimum Authorized Denomination. In the event a portion of any Series 2023A Bonds is so redeemed, the Registrar shall, without charge to the owner of such Series 2023A Bond, authenticate a replacement Series 2023A Bond for the unredeemed portion thereof.

Section 4.04. Redemption Procedures. Except as otherwise provided herein, the Series 2023A Bonds shall be called for prior redemption and shall be paid by the Paying Agent upon notice as provided in Section 4.05 hereof. The Registrar shall not be required to transfer or exchange any Series 2023A Bond after notice of the redemption of such Series 2023A Bond has been given (except the unredeemed portion of such Series 2023A Bond, if redeemed in part) or to transfer or exchange any Series 2023A Bond during the period of 15 days next preceding the day such notice is given.

In addition, the Registrar is hereby authorized to comply with any operational procedures and requirements of the Securities Depository relating to redemption of Series 2023A Bonds and notice thereof. The Board and the Registrar shall have no responsibility or obligation with respect to the accuracy of the records of the Securities Depository or a nominee therefor or any Participant of such Securities Depository with respect to any ownership interest in the Series 2023A Bonds or the delivery to any Participant, beneficial owner or any other person (except to a registered owner of the Series 2023A Bonds) of any notice with respect to the Series 2023A Bonds, including any notice of redemption.

Section 4.05. Notice of Redemption. The Registrar shall cause notice of the redemption of the Series 2023A Bonds being redeemed under this Article IV to be given in the form and manner described in Section 3.07 of the Master Resolution not less than 30 days nor more than 60 days prior to the redemption date.

Section 4.06. Tender and Purchase. The Series 2023A Bonds shall be subject to tender and purchase prior to maturity at the option of the Board, if at all, on the dates, in the manner and at the prices as set forth in the Pricing Certificate.

ARTICLE V

ISSUANCE OF SERIES 2023A BONDS AND USE OF SERIES 2023A BOND PROCEEDS

Section 5.01. Series 2023A Bond Preparation, Execution and Delivery. The officers of the Board and the System designated in this Twenty Third Supplemental Resolution are hereby authorized and directed to prepare and to execute the Series 2023A Bonds, as herein provided. When the Series 2023A Bonds have been duly executed, the Board Representative shall deliver them to the Underwriters upon receipt of the agreed purchase price.

Section 5.02. Disposition of Series 2023A Bond Proceeds. The proceeds of the Series 2023A Bonds, upon the receipt thereof, shall be accounted for in the following manner and priority and are hereby pledged therefor:

(a) ***Escrow Account.*** First, from the proceeds of the Refunding Bonds there shall be deposited with the Escrow Agent in the Escrow Account under the Escrow Agreement an amount sufficient to accomplish the Refunding Project as set forth in the Pricing Certificate and the Escrow Agreement.

(b) ***Tender Price.*** Second, from the proceeds of the Refunding Bonds the Tender Price shall be paid as set forth in the Pricing Certificate.

(c) ***Expense Account.*** Third, from the proceeds of the Series 2023A Bonds, there shall be deposited to the credit of a separate account, hereby created (the “Expense Account”), which Expense Account shall be under the control of the Board, all remaining amounts of proceeds of the Series 2023A Bonds. From such Expense Account, the Board shall be authorized to pay all expenses associated with the issuance of the Series 2023A Bonds. Any moneys remaining in the Expense Account six months after the date of issuance of the Series 2023A Bonds shall be transferred as directed by the Board Representative.

Section 5.03. Purchaser Not Responsible. The Underwriters, any associate thereof, and any subsequent owner of any Series 2023A Bond shall in no manner be responsible for the application or disposal by the Board or by any System officer or any other employee or agent of the Board or System of the moneys derived from the sale of the Series 2023A Bonds or of any other moneys herein designated.

ARTICLE VI

ESTABLISHMENT OF CERTAIN ACCOUNTS

Section 6.01. Establishment of Certain Accounts. In accordance with Section 5.01 of the Master Resolution, the Board hereby creates and establishes the following accounts in respect of the Series 2023A Bonds: (a) within the Debt Service Fund, an “Interest Account” and a “Principal Account” for each series of Series 2023A Bonds; and (b) within the Rebate Fund, a “Rebate Account” for each series of Series 2023A Bonds. Such accounts shall be maintained and applied as provided in (i) Section 5.06 of the Master Resolution, with respect to each Interest

Account and Principal Account; and (ii) Sections 5.11 through 5.13 of the Master Resolution, with respect to each Rebate Account. The Board authorizes the creation of the Escrow Account with the Escrow Agent under the Escrow Agreement for each series of Refunded Bonds.

ARTICLE VII

FEDERAL TAX LAW MATTERS

Section 7.01. Determination of Tax Exempt or Taxable Obligations. All or any portion of the Series 2023A Bonds is authorized to be issued as a Tax Exempt Obligation or a Taxable Obligation. The Board hereby delegates to the Board Representative the authority to determine what, if any, portion of the Series 2023A Bonds shall constitute a Tax Exempt Obligation, and what, if any, portion of the Series 2023A Bonds shall constitute a Taxable Obligation which determinations shall be set forth in the applicable Pricing Certificate. To the extent that any portion of the Series 2023A Bonds shall constitute Tax Exempt Obligations, for purposes of ensuring that the interest on the Tax Exempt Obligations is and remains excluded from gross income for federal income tax purposes, the Board makes the covenants set forth in Sections 7.02 through 7.04 of this Article VII. In the event that, as determined by the Board Representative and set forth in the Pricing Certificate, no portion of the Series 2023A Bonds constitutes Tax Exempt Obligations, Sections 7.02 through 7.04 of this Article VII shall be of no force or effect.

Section 7.02. Prohibited Actions. The Board will not use or permit the use of any proceeds of the Tax Exempt Obligations or any other funds of the Board from whatever source derived, directly or indirectly, to acquire any securities or obligations and shall not take or permit to be taken any other action or actions, which would cause any Tax Exempt Obligations to be an “arbitrage bond” within the meaning of Section 148 of the Code, or would otherwise cause the interest on any Tax Exempt Obligations to be includible in gross income for federal income tax purposes.

Section 7.03. Affirmative Actions. The Board will at all times do and perform all acts permitted by law that are necessary in order to assure that interest paid by the Board on the Tax Exempt Obligations shall not be includible in gross income for federal income tax purposes under the Code or any other valid provision of law. In particular, but without limitation, the Board represents, warrants and covenants to comply with the following unless it receives an opinion of Bond Counsel stating that such compliance is not necessary: (a) gross proceeds of the Tax Exempt Obligations will not be used in a manner that will cause the Series 2023A Bonds to be considered “private activity bonds” within the meaning of the Code; (b) the Tax Exempt Obligations are not and will not become directly or indirectly “federally guaranteed”; and (c) the Board will timely file Internal Revenue Form 8038-G which shall contain the information required to be filed pursuant to Section 149(e) of the Code with respect to the Tax Exempt Obligations.

Section 7.04. Tax Certificate. The Board will comply with the Tax Certificate delivered to it on the date of issuance of any Series 2023A Bonds constituting Tax Exempt Obligations, including but not limited to the provisions of the Tax Certificate regarding the application and investment of proceeds of such Series 2023A Bonds, the calculations, the deposits, the disbursements, the investments and the retention of records described in the Tax Certificate; provided that, in the event the original Tax Certificate is superseded or amended by a new Tax

Certificate drafted by, and accompanied by an opinion of Bond Counsel stating that the use of the new Tax Certificate will not cause the interest on such Series 2023A Bonds to become includible in gross income for federal income tax purposes, the Board will thereafter comply with the new Tax Certificate.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Applicability of Master Resolution. Except as otherwise provided herein, the provisions of the Master Resolution govern the Series 2023A Bonds and the Refunding Project. The rights, undertakings, covenants, agreements, obligations, warranties, and representations of the Board set forth in the Master Resolution shall in respect of the Series 2023A Bonds be deemed the rights, undertakings, covenants, agreements, obligations, warranties and representations of the Board.

Section 8.02. Amendment of Definitions of Gross Revenues and Tuition Revenues. The definitions of Gross Revenues and Tuition Revenues in the Master Resolution are hereby amended and restated in their entirety as follows:

“*Gross Revenues*” means (a) all income and revenues derived by the System Enterprise from the Facilities, whether resulting from an original Facility or from improvements, extensions, enlargements, repairs or betterments thereto, replacements thereof or otherwise; (b) the Student Fees; (c) all revenues constituting rents or charges for the use of CSU buildings and facilities for research, including (i) all revenues derived by CSU from the operation of the Research Facilities, whether resulting from an original Research Facility or from improvements, extensions, enlargements, repairs or betterments thereto, replacements thereof or otherwise, including insurance proceeds; and (ii) amounts accruing to CSU from “overhead” charges on research contracts performed under the auspices of CSU within the Research Facilities or within all other facilities of the System located at the CSU campus; (d) investment earnings on moneys in the Research Revolving Fund and on moneys attributable to the Facilities; (e) 100% of Tuition Revenues received by the System Enterprise; (f) all revenues derived by the System Enterprise from the Facilities Construction Fees; (g) all net revenues of Canvas Stadium; and (h) such other income, fees and revenues as the Board hereafter determines, by resolution and without further consideration from the owners of the Bonds, to include in Gross Revenues, pursuant to law then in effect and not in conflict with the provisions and limitations of the Master Resolution or any Supplemental Resolution. The term Gross Revenues does not however, include (A) any Released Revenues in respect of which there have been filed with the Secretary of the Board the documents contemplated in the definition of “Released Revenues,” or (B) any general fund moneys appropriated by the State General Assembly or any moneys derived from any general (ad valorem) tax levied against property by the State or any instrumentality thereof.

“*Tuition Revenues*” means charges to students for the provision of general instruction by the System, whether collected or accrued.

Section 8.03. Severability and Invalid Provisions. If any one or more of the covenants or agreements provided in this Twenty Third Supplemental Resolution on the part of the Board to

be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements and shall in no way affect the validity of the other provisions of this Twenty Third Supplemental Resolution.

Section 8.04. Table of Contents and Section Headings Not Controlling. The Table of Contents and the headings of the several Articles and Sections of this Twenty Third Supplemental Resolution have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this Twenty Third Supplemental Resolution.

ADOPTED AND APPROVED as of May __ 2023.

[SEAL]

BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM

By _____
Chair of the Board

ATTEST:

By _____
Secretary

[Signature Page to Twenty Third Supplemental Resolution]

EXHIBIT A

FORM OF SERIES 2023A BONDS [TO BE MODIFIED FOR EACH SERIES]

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE PAYING AGENT, THE REGISTRAR OR ANY AGENT THEREOF FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE.

**UNITED STATES OF AMERICA
STATE OF COLORADO**

**BOARD OF GOVERNORS OF THE COLORADO STATE UNIVERSITY SYSTEM
SYSTEM ENTERPRISE REVENUE REFUNDING BONDS
SERIES 2023A**

No. R- _____ \$ _____

Interest Rate (Per Annum)	Maturity Date	Dated as of	CUSIP
_____ %	March 1, _____	_____, _____	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The Board of Governors of the Colorado State University System (the “Board” and the “System,” respectively), being a body corporate under the laws of the State of Colorado (the “State”), for value received, hereby promises to pay to the registered owner specified above or registered assigns solely from the special funds provided therefor, the principal amount specified above, on the maturity date specified above (unless called for earlier redemption), and to pay from such special funds interest thereon on March 1 and September 1 of each year (each an “Interest Payment Date”), commencing on September 1, 2023 at the interest rate per annum specified above, until the principal sum is paid or payment has been provided. This Series 2023A Bond (as hereinafter defined) will bear interest from the most recent Interest Payment Date to which interest has been paid or provided for, or, if no interest has been paid, from the date of this Series 2023A

Bond. The principal of and premium, if any, on this Series 2023A Bond are payable upon presentation and surrender hereof at the principal office of the Board's paying agent for the Series 2023A Bonds (the "Paying Agent"), initially Zions Bancorporation, National Association (formerly, Zions First National Bank), Denver, Colorado. The Paying Agent's principal office for such payment shall be in Denver, Colorado. Interest on this Series 2023A Bond will be paid on each Interest Payment Date (or, if such Interest Payment Date is not a business day, on the next succeeding business day), by check or draft mailed to the person in whose name this Series 2023A Bond is registered (the "registered owner") in the registration records of the Board maintained by the Board's registrar for the Series 2023A Bonds (the "Registrar"), initially Zions Bancorporation, National Association (formerly, Zions First National Bank), Denver, Colorado, and at the address appearing thereon at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date (the "Regular Record Date"). Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner hereof at the close of business on the Regular Record Date and shall be payable to the person who is the registered owner thereof at the close of business on a Special Record Date (as described in the resolution of the Board authorizing the issuance of this Series 2023A Bond; herein the "Resolution"), for the payment of any defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of the bonds of the series of which this is one not less than 10 days prior thereto. Alternative means of payment of interest may be used if mutually agreed to between the owner of any Series 2023A Bond and the Paying Agent, as provided in the Resolution. All such payments shall be made in lawful money of the United States of America without deduction for the services of the Registrar or Paying Agent. Any capitalized term used herein shall have the same meaning as is ascribed thereto in the Master Resolution, dated June 20, 2007, as amended and supplemented and the Amended and Restated Twenty Third Supplemental Resolution, dated May __, 2023, as amended and supplemented.

This bond is one of an authorized series of bonds issued under the Resolution designated the Board of Governors of the Colorado State University System, System Enterprise Revenue Refunding Bonds, Series 2023A in the aggregate principal amount of \$[_____] (the "Series 2023A Bonds").

This Series 2023A Bond is financing the Refunding Project (as described in the Resolution).

It is hereby certified that all acts, conditions and things required to be done precedent to and in the issuance of this Series 2023A Bond and the series of which it is a part have been properly done, have happened, and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State and the proceedings herein mentioned, and that this series of bonds does not exceed any constitutional or statutory limitation.

This Series 2023A Bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication hereon.

The Series 2023A Bonds are issuable solely as fully registered bonds in denominations of \$5,000 and any integral multiple thereof and are exchangeable for fully registered Series 2023A Bonds of the same maturity in equal aggregate principal amounts and in authorized denominations

at the aforesaid office of the Registrar but only in the manner, subject to the limitations, and on payment of the charges provided in the Resolution.

The Registrar will not be required to transfer or exchange (a) any Series 2023A Bond subject to redemption during a period beginning at the opening of business 15 days before the day of the mailing by the Registrar of a notice of prior redemption of Series 2023A Bonds and ending at the close of business on the day of such mailing, or (b) any Series 2023A Bond after the mailing of notice calling such Series 2023A Bond or any portion thereof for prior redemption.

[The Series 2023A Bonds or portions thereof maturing on and after March 1, 20___, are subject to redemption prior to their respective maturities, at the option of the Board, on or after March 1, 20___, in whole or in part at any time, in such order of maturities as the Board shall determine and by lot within a maturity, in integral multiples of \$5,000 (giving proportionate weight to Series 2023A Bonds in denominations larger than \$5,000), in such manner as the Paying Agent may determine, at a redemption price equal to ___% of the principal amount of each Series 2023A Bond or portion thereof so redeemed plus accrued interest thereon to the redemption date.]

The Series 2023A Bonds are subject to mandatory sinking fund redemption as provided in the Pricing Certificate.

In the case of a Series 2023A Bond of a denomination larger than \$5,000, a portion of such Series 2023A Bond (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Registrar shall, without charge to the owner of such Series 2023A Bond, authenticate and issue a replacement Series 2023A Bond or Bonds for the unredeemed portion thereof. Redemption shall be made upon not less than 30 days' prior mailed notice to each registered owner as shown on the registration records maintained by the Registrar, as provided in the Resolution.

This Series 2023A Bond is fully transferable by the registered owner hereof in person or by his duly authorized attorney on the registration records maintained by the Registrar upon surrender of this Series 2023A Bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon such transfer a new fully registered Series 2023A Bond or Series 2023A Bonds of authorized denomination or denominations of the same aggregate principal amount and maturity will be issued to the transferee in exchange for this Series 2023A Bond, subject to such terms and conditions as set forth in the Resolution. The Board, Registrar and Paying Agent may deem and treat the person in whose name this Series 2023A Bond is registered as the absolute owner hereof for the purpose of making payment (except to the extent otherwise provided hereinabove and in the Resolution with respect to Regular and Special Record Dates for the payment of interest) and for all other purposes and the Board and Paying Agent and Registrar shall be not affected by notice to the contrary.

The Series 2023A Bonds are being issued to finance the Refunding Project.

[The Series 2023A Bonds qualify for the Higher Education Revenue Bond Intercept Program ("State Intercept Program"), enacted by the State on June 4, 2008, established pursuant to S.B. 08-245, Section 23-5-139, Colorado Revised Statutes, as amended, and provides for the payment by the State Treasurer of principal of and interest due with respect to revenue bonds

issued by state supported institutions of higher education if such an institution will not make the payment by the date on which it is due.]

The Series 2023A Bonds are issued by the Board as authorized by and pursuant to the Auxiliary Facilities Enterprise Act, the Institutional Enterprise Statute, the Refunding Act, the Research Building Fund Act, the State Intercept Act (if applicable), the Supplemental Public Securities Act, and applicable provisions of the Code.

This Series 2023A Bond does not constitute a debt or an indebtedness of the State, the Board or the System within the meaning of any constitutional or statutory provision or limitation, shall not be considered or held to be a liability or general obligation of the State, the Board or the System, and is payable and collectible as an obligation of the Board solely out of the net revenues (including Student Fees) (the “Net Revenues”) to be derived from the operation of certain revenue-producing Facilities and Research Facilities, as well as certain Tuition Revenues, as such Net Revenues, Student Fees, Facilities, Research Facilities and Tuition Revenues are defined in the Resolution. The owner hereof may not look to any general or other fund of the State or the System for the payment of the principal of, premium, if any, and interest on this obligation, except the special funds pledged therefor.

Payment of the Series 2023A Bonds and the interest thereon shall be made from, and as security for such payment there is pledged pursuant to the Resolution, a special fund identified as the “System Enterprise Debt Service Fund” (the “Debt Service Fund”), into which fund the Board covenants to pay from the Net Revenues moneys sufficient to pay when due the principal of, premium, if any, and interest on the Series 2023A Bonds. The Series 2023A Bonds constitute an irrevocable lien on the Net Revenues and are being issued on parity with the Board’s Outstanding Parity Obligations (as defined in the Resolution). Outstanding Obligations in addition to the Series 2023A Bonds, subject to expressed conditions, may be issued and made payable from the Net Revenues and having a lien thereon subordinate and junior to the lien, or subject to additional expressed conditions, having a lien thereon on a parity with the lien thereon of the Series 2023A Bonds, as provided in the Resolution.

Reference is made to the Resolution and any and all modifications and amendments thereof and to the designated statutes for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2023A Bonds, for a description of the nature and extent of the security for the Series 2023A Bonds, the funds or revenues pledged, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the owners of the Series 2023A Bonds with respect thereto, the terms and conditions upon which the Series 2023A Bonds are issued, and a statement of rights, duties, immunities and obligations of the Board and the rights of the owners of the Series 2023A Bonds.

To the extent and in the respects permitted by the Resolution, the provisions of the Resolution or any resolution amendatory thereof or supplemental thereto may be modified or amended by action on behalf of the Board taken in the manner and subject to the conditions and exceptions prescribed in the Resolution. The pledge of the Net Revenues and other duties of the Board under the Resolution may be discharged at or prior to the maturity or redemption of the Series 2023A Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Resolution.

The Board covenants and agrees with the owner of this Series 2023A Bond and with each and every person who may become the owner hereof that it will keep and perform all of the covenants of the Resolution.

When all principal of, premium, if any, and interest on the Series 2023A Bonds, or any portion thereof, have been duly paid, the pledge and lien of all obligations hereunder shall thereby be discharged as to such issue or part of such issue and such issue or part of such issue shall no longer be deemed to be Outstanding within the meaning hereof. There shall be deemed to be such due payment if the Board has placed in escrow or in trust with a trust bank exercising trust powers, an amount sufficient (including the known minimum yield available for such purpose from federal securities in which such amount wholly or in part may be initially invested) to meet all requirements of principal of, premium, if any, and interest on the securities issue, as such requirements become due to their final maturities or upon any designated redemption dates. The federal securities shall become due prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the Board and such trust bank at the time of the creation of the escrow or trust, or the federal securities shall be subject to redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule.

No recourse shall be had for the payment of the principal of, premium if any, and interest on this Series 2023A Bond or for any claim based thereon or otherwise in respect to the Resolution against any individual member of the Board, past, present or future, either directly or through the Board or the System, or through any successor body corporate of either, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Series 2023A Bond and as a part of the consideration of its issuance specially waived and released. The obligation of the Board, as a body corporate, to the owner hereof is limited to applying funds for the payment hereof, as set forth above and as more fully delineated in the Resolution, and to otherwise complying with the contractual provisions therein.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Board or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This Series 2023A Bond is issued pursuant to the Supplemental Public Securities Act, Colorado Revised Statutes, Sections 11-57-201 et seq., as amended, and, pursuant to Section 11-57-210, C.R.S., this recital shall be conclusive evidence of the validity and the regularity of the issuance of this Bond after its delivery for value.

IN TESTIMONY WHEREOF, the Board of Governors of the Colorado State University System has caused this Series 2023A Bond to be executed in the name and on the behalf of the Board with the manual or facsimile signature of its Chair, and to be attested and signed with the manual or facsimile signature of the Secretary of the Board; and has caused the facsimile of the seal of the System to be affixed hereon, all as of _____, _____.

[FACSIMILE SEAL]

BOARD OF GOVERNORS OF THE
COLORADO STATE UNIVERSITY SYSTEM

By _____ (Manual or Facsimile Signature)
Chair of the Board

ATTEST:

By _____ (Manual or Facsimile Signature)
Secretary of the Board

[FORM OF CERTIFICATE OF AUTHENTICATION FOR SERIES 2023A BONDS]

CERTIFICATE OF AUTHENTICATION

Date of authentication and registration: _____

This is one of the Series 2023A Bonds described in the within-mentioned Resolution, and this Series 2023A Bond has been duly registered on the registration records kept by the undersigned as Registrar for such Series 2023A Bonds.

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Registrar

By _____ (Manual Signature)
Authorized Officer or Employee

[END OF FORM OF CERTIFICATE OF AUTHENTICATION FOR SERIES 2023A BONDS]

[FORM OF ASSIGNMENT OF SERIES 2023A BONDS]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Series 2023A Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the records kept for registration of the within Series 2023A Bond, with full power of substitution in the premises.

Dated: _____

NOTE: The signature to this Assignment must correspond with the name as written on the face of this Series 2023A Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

Name and address of transferee:

Social Security or other
tax identification number of transferee:

TRANSFER FEE MAY BE REQUIRED

[END OF FORM OF ASSIGNMENT OF SERIES 2023A BONDS]



CFI

COMPOSITE FINANCIAL INDEX



Composite Financial Index (CFI)

- CFI was originally developed by KPMG nearly 50 years ago as a way of assessing the financial health of private, liberal arts colleges.
- KPMG noted at the time it was not designated for public and research universities.
- KPMG noted that scores below the “3” threshold of health could well be appropriate as an institution deployed resources toward a goal.
- KPMG noted that scores above the “3” threshold of health could indicate failure to deploy resources toward role and mission.
- Accrediting agencies later adopted CFI, and all serious debate of the issue stopped and the “3” threshold of health is now widely, if inappropriately, used as an absolute value.



Composite Financial Index (CFI)

- CFI helps gain an understanding of the institution's financial health, particularly if developed over time.
- Final ratio is a weighted average of four ratios:
 - Primary Reserve Ratio – 35%
 - Viability Ratio – 35%
 - Return on Net Assets Ratio – 20%
 - Net Operating Revenue Ratio – 10%
- A weighted average factor is applied to the ratios after converting to a common scale to determine the institution's final score.



Composite Financial Index (CFI)

Calculated scale represents:

1.0 = very little financial health;

3.0 = the 'normalized value', a relatively stronger position;

10.0 = the top score within a range for an institution

Key Ratios: Cumulative CFI Score

Each ratio and the total CFI score can be evaluated on the following parameters :

Score	Performance Indication
8 to 10	Deploy resources to achieve a robust mission
6 to 9	Allow experimentation with new initiatives
4 to 7	Focus resources to compete in future state
2 to 5	Direct institutional resources to allow transformation
0 to 3	Re-engineer the institution
-1 to 1	Consider substantive programmatic adjustments
-2 to -1	Assess debt and Department of Education compliance and remediation
-3 to -2	Consider structured programs to conserve cash
-4 to -3	Consider whether financial exigency is appropriate



Composite Financial Index (CFI)

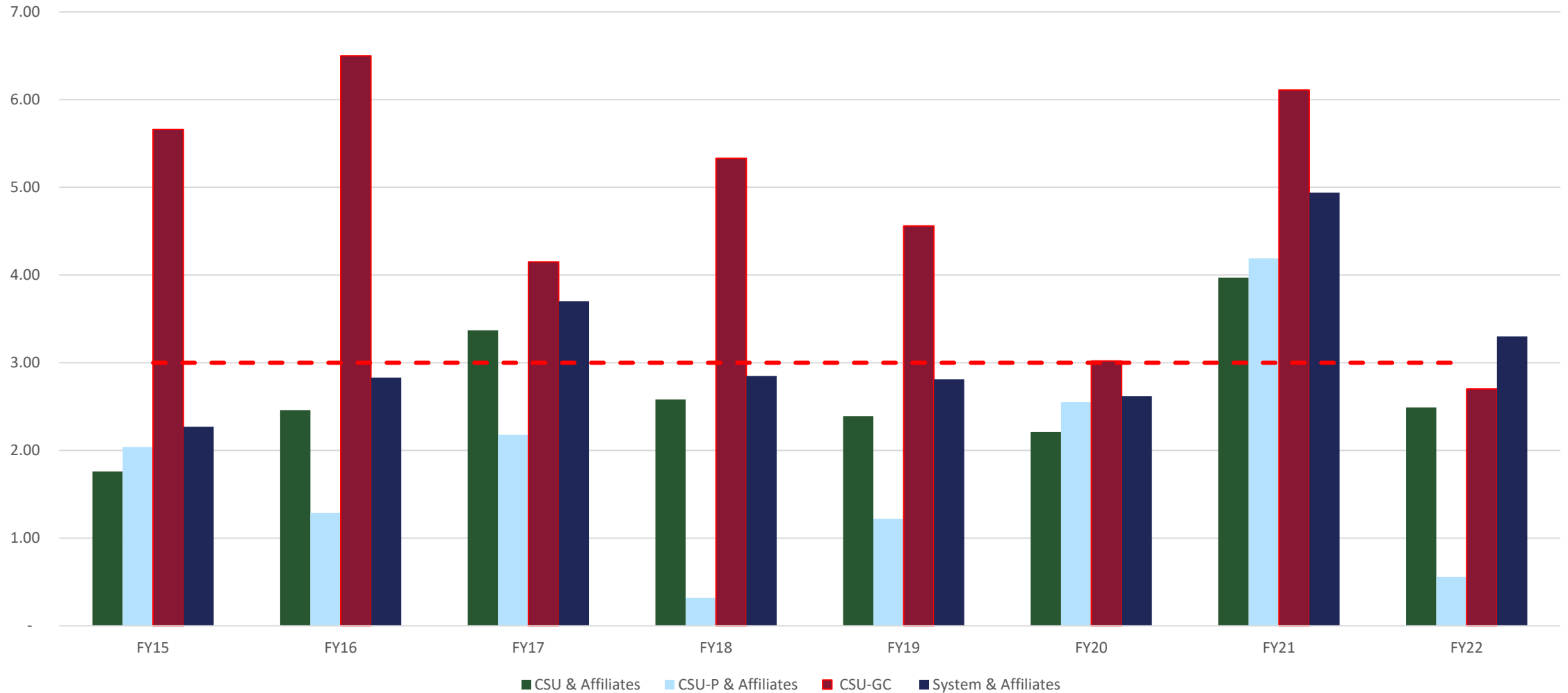
Primary Reserve Ratio – measures the financial strength of the institutions by comparing expendable net assets to total expenses. Expendable net assets represent those assets the institution can spend and meet its operating and capital requirements.

Viability Ratio – measures the availability of expendable net assets (resources) to cover debt should the institution need to settle its obligations as of the balance sheet date.

Return on Net Asset Ratio – determines whether the institution is financially better off than in previous years by measuring total economic return.

Net Operating Revenue Ratio – is a primary indicator, explaining how the surplus (net income from operating activities) affects behavior of the other three core ratios. A large surplus or deficit directly affects the amounts of funds an institution adds or subtracts from net assets, thereby affecting the other three ratios.

CFI Index with Affiliates Excludes GASB 68/75





Composite Financial Index (CFI)

- FY21 CFI was higher as a result of receipt of Federal grants (Higher Education Emergency Relief Funds and Coronavirus Relief Funds) that helped offset costs incurred as result of the pandemic and unrealized gains recognized as a result of a robust market.
- FY22 CFI dropped as a result of market losses experienced in both the CSU System Treasury, CSU Foundation and CSU-Pueblo Foundation. These losses are consistent with those experienced by other investment portfolios during this period of time.

Questions?



CSU SYSTEM
COLORADO STATE UNIVERSITY

