
ACCOUNTABILITY

2014 Colorado State University Annual Report



Colorado State University





A Message from Colorado State University President Tony Frank

We are pleased to publish this Accountability Report each year to open up the books on our revenues and expenditures – and shine a spotlight on the many important ways Colorado State University is upholding its public mission and returning value to students and Colorado.

Accountability isn't just about accounting. For Colorado State University, it's also a reflection of how well we uphold our promise to provide high-quality, accessible education; transformative research; and outreach that benefits our state, our planet, and the human condition. For that reason, we've also included the latest data on student success, affordability, and impact from the research and outreach work of our faculty.

Transparency, responsibility, and integrity are core values of our University, and we believe these values are the foundation of excellence in all we do. In that spirit, we are proud to share this annual report, including elements from our audited financial statements, and welcome your interest in Colorado State.

Sincerely,

Dr. Tony Frank
President

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ACCOUNTABILITY at Colorado State

This annual report is intended to provide widespread public access to the financial results of Colorado State University. Additional resources are available online:

- CSU Accountability Website
<http://accountability.colostate.edu>
- Budget Updates and Communications
<http://www.president.colostate.edu/budget/index.aspx>
- CSU Policies and Compliance
<http://policies.colostate.edu/Default.aspx>
- Institutional Research
<http://www.ir.colostate.edu>

ACCOUNTABILITY in Focus

Colorado State makes its performance and assessment data readily accessible to the general public at <http://www.ir.colostate.edu/IRinteractive>. Some highlights of this past year include:

Student Access and Success

We're  Colorado's **TOP CHOICE**

More Colorado high school graduates choose CSU than any other college or university in the state.

92%

of CSU graduates say they would choose CSU again . . .
. . . and rated their overall CSU experience as good to excellent.

We're inclusive.

This year's freshman class is 55 percent female, 72 percent Colorado residents, and 21 percent ethnic minority – the most diverse class in the University's history. **1 out of 4 CSU students is first-generation.**

77%

. . . of CSU students who graduate do so in 4.5 years.
Our students get the courses they need to graduate on time.

CSU students graduate with debt loads that are *well below* the national average.

We're globally engaged.

International undergraduate student enrollment **increased 263 percent** from Fall 2005 to Fall 2014. 1,859 international students enrolled on campus in Fall 2014, and almost 1,200 CSU students participated in education abroad.

We attract top students.

New freshmen at CSU in Fall 2014 had a mean high school class rank of 72, a mean high school GPA of 3.61, and a mean Colorado Department of Higher Education index of 115.

Sixteen:One

= Our student:faculty ratio

And our classes are getting smaller even as enrollment is growing. Thanks to a continued focus on the student experience, we've reduced lower-level course sizes by 6.5 percent and upper-level courses by 7.3 percent. **62 percent of undergraduate classes have 30 or fewer students.**



76%

of CSU students receive financial aid.

During a time when we saw a 30 percent drop in state support and a 32 percent increase in the cost of attendance, we were also able to drive a **158 percent increase in institutional need-based financial aid.**

Total CSU financial aid is up 51 percent in five years, including an 80 percent increase in privately funded scholarships.

86%

Freshman to Sophomore Year: The first-year persistence rate for new freshmen (from Fall 2013 to Fall 2014) is 86 percent.

 **26%**
from the previous year.

The number of degrees awarded in 2013-14 was up 26 percent from the previous year.

The CSU Effect

CSU's 2012-13 graduates are employed at a rate

10% 

than the national average.

75%

of our graduates have jobs in fields related to their majors.

81 percent of 2012-13 graduates secured their first-destination plans – a job or continuing education – within six months.

\$45,000

The average starting salary for CSU graduates.

Institutional Quality

CSU is a Carnegie Research University (very high research activity) **and a Carnegie Community Engaged University.**

In 2014, two CSU faculty were named to the National Academies – **Diana Wall** (*American Academy of Arts and Sciences*) and **Ed Hoover** (*National Academy of Sciences*) – and **A.R. “Ravi” Ravishankara** (*National Academy of Sciences*) also joined our faculty.

CSU broke its annual fundraising record for the third consecutive year, raising

\$143.3 million.

The University ranks 5th among its 15 peer schools in fundraising success.

58 / A+

Colorado State University has *climbed 9 spots in just two years* in *U.S. News and World Report's* annual America's Best Colleges rankings – this year ranking No. 58. The magazine also named CSU an “A+” school *for students who want to be part of an engaged student body.*

For its efforts to promote diversity and inclusion, CSU was recognized by the NCAA with the national

[NCAA and Minority Opportunities Athletic Association's Award for Diversity.]

1 of only 16

CSU is one of only 16 U.S. institutions to have *never* had a major NCAA violation.

CSU = The 2014 National Hispanic Institute University of the Year

The number of endowed faculty positions is up
18% in 5 years.

While growing the total faculty 13 percent in five years to keep pace with enrollment, we've also had a . . .

13% increase in women tenure-track faculty

17% increase in minority tenure-track faculty

In the last five years, we've added . . .

6 new academic departments/units

13 new graduate degrees

12 new undergraduate majors

17 new undergraduate minors

Research Impact

More than \$300 million

CSU research expenditures exceeded \$300 million for the seventh straight year in 2014.

CSU ranks No. 2 nationally in federal research funding for universities without a medical school.

We rank in the

Top 10%

in the country for R&D, according to the National Science Foundation.

CSU Ventures FY2014 totals for inventions, issued patents, and licenses equaled or exceeded historical records.

CSU Ventures awarded more than \$700K

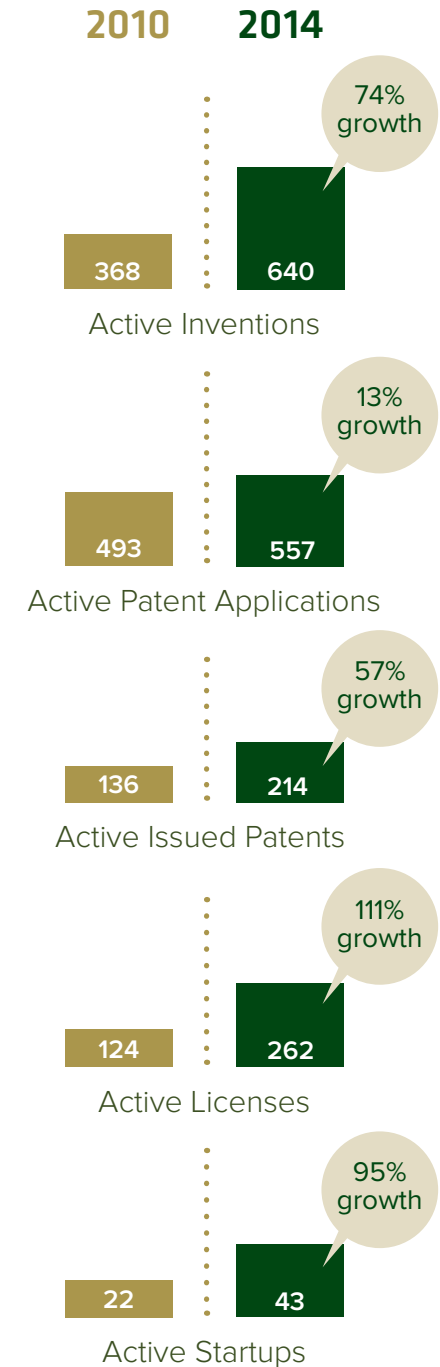
in funding to proof-of-concept projects through the Advanced Industries Accelerator Proof of Concept Grant Program, Bioscience Discovery Evaluation Grant Program, and CSU Ventures Creative Works Program.

New This Fiscal Year

Last 5 yrs	2014
Inventions	
590	122
Patent Applications	
700	160
Licenses	
196	41
Issued Patents	
115	49
Startups	
30	5
Revenue	
\$5.94m	\$1.27m

CSU startup companies
employed nearly 500
people in FY2014; most
of them in Colorado.

Active Portfolio



Operational Efficiency

Only 5%

of CSU's budget goes to administration.



Colorado State University achieved the highest score ever reported, ranking No. 1 in the country in the **STARS Report**, a national survey that measures sustainability efforts at universities and colleges nationwide.

Money raised through differential tuition has infused more than

\$45 million

directly into CSU's academic programs in the last three years.

We've seized the opportunity provided by the construction environment to build a campus that will serve Colorado for generations to come. We've added

1.3 million new gross square feet

of space – more than 60 percent of it academic instructional space.

All of our general assignment classrooms have been upgraded into technology-enabled “smart classrooms.”

The Colorado State University Foundation reported investment returns of

13.90 percent

for the fiscal year ending June 30, 2014.

To learn more about the Foundation's investment and distribution policies, visit http://foundation.colostate.edu/files/2014/09/CSUF_1415_invstmt_policy.pdf

Service to the State



CSU Extension now serves all 64 Colorado counties.

The 2014 statewide survey of Colorado county commissioners indicated overall satisfaction with CSU's Extension programs – and increased satisfaction levels in all four areas assessed: quality of CSU Extension programs and services; value of the services counties receive; responsiveness and service levels of individual county offices; and overall satisfaction with service to citizens. All four scores have trended consistently high since 2012.

The county response rate to this year's survey was . . .

82%

Colorado State was named to the 2014 President's Higher Education Community Service Honor Roll.

The Honor Roll recognizes universities that demonstrate exemplary community service and achieve meaningful outcomes in their communities.

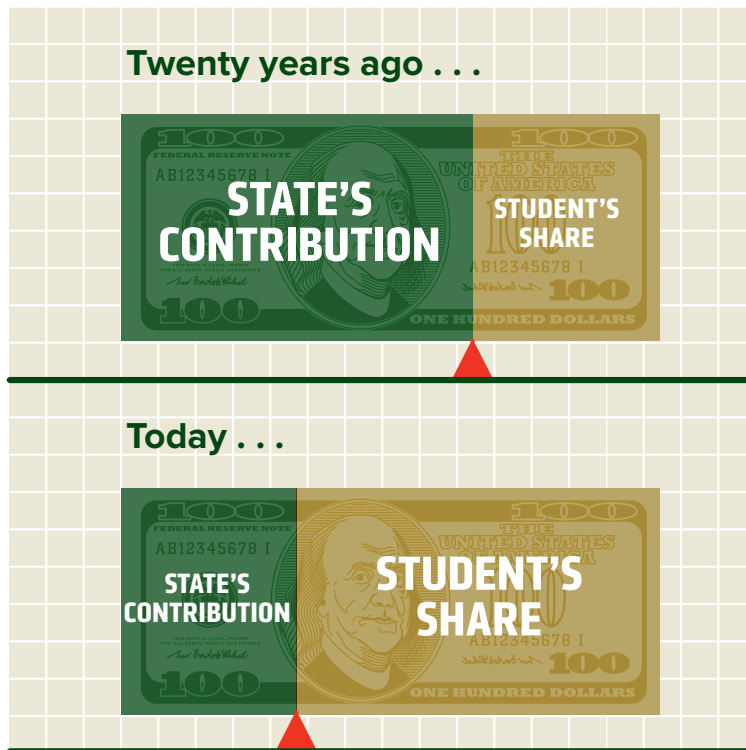
Sixty-six percent

of CSU seniors have participated in community service or volunteer work.

CSU's 99,000+ Colorado-based alumni account for more than **\$5.2 billion** in household income, representing 3.7 percent of the state's total household income.

THE SHIFTING BURDEN

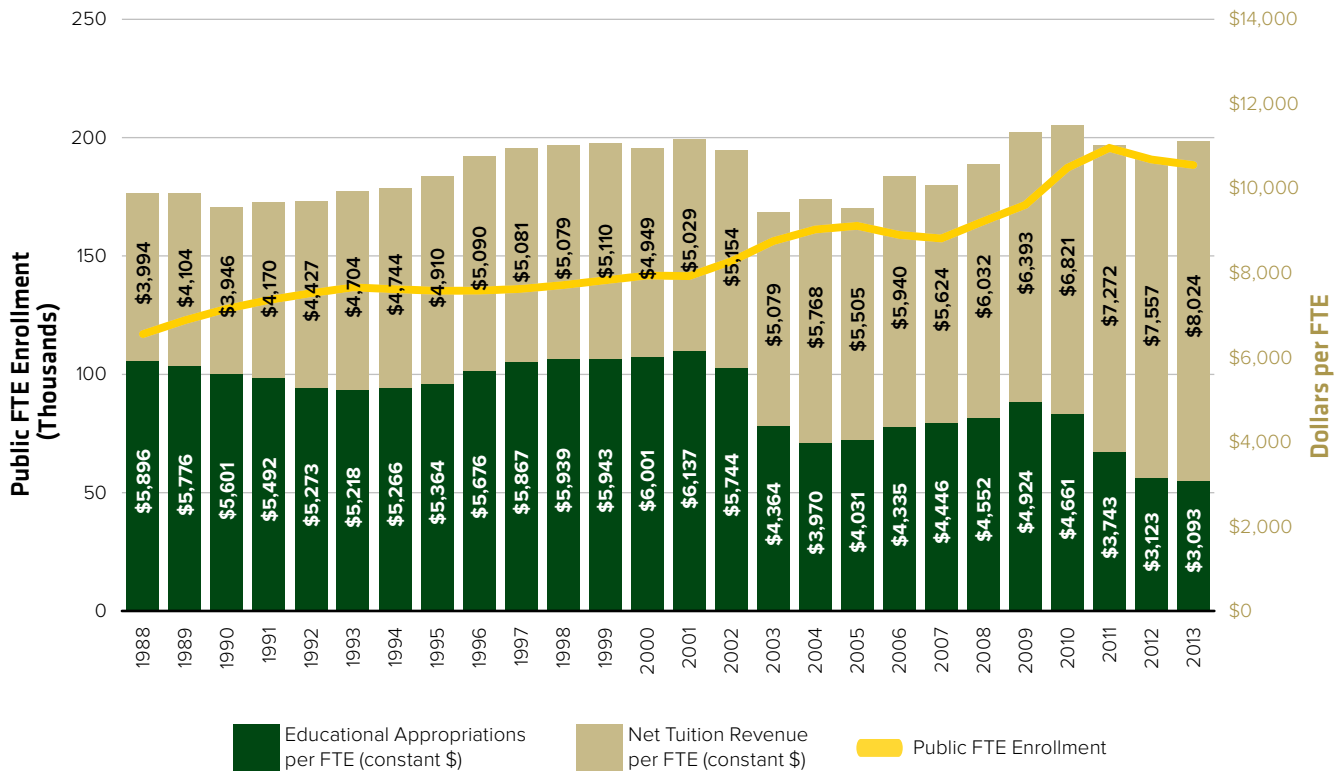
for Public Higher Education



- Colorado State University *still educates a student for about what it cost 20 years ago* (when adjusted for inflation).
- But there has been a change in who pays: *20 years ago, the state of Colorado paid two-thirds* of every student's education, and students paid a third. *Today, students and their families pay two-thirds* of the cost to attend a state university – and the state portion covers just a third.
- In fact, *private fundraising revenue has exceeded Colorado State University's state funding since the 2012 fiscal year* (in FY14, total private support exceeded \$143 million, while state support was about \$97 million). State funding makes up about 10.7 percent of CSU's total operating budget.
- Strong *state support of higher education is a great investment for Colorado*. Over a lifetime, a CSU graduate will pay more than \$10 in tax revenue for every dollar state taxpayers invest in his or her education.
- The Brookings Institution reports that the *return on investment for the average student loan is 15 percent annually* – better than almost any other investment you can name.

Public universities in Colorado rely on two funding sources to educate students: tuition and taxpayer support provided through the state's General Fund. The chart below shows how this balance has shifted over time.

Public FTE Enrollment, Educational Appropriations, and Total Educational Revenue per FTE • Colorado – Fiscal Years 1988-2013



Note: Constant 2013 dollars adjusted by SHEEO Higher Education Cost Adjustment (HECA). Educational Appropriations include ARRA funds. Source: State Higher Education Executive Officers Association

Educational Appropriations per FTE (Constant Adjusted 2013 Dollars)

State	FY 2008	FY 2012	FY 2013	1 Year % Change	FY 2013 Index to US Average	5-Year % Change
Alabama	\$9,094	\$5,795	\$5,507	-5.0%	0.90	-39.4%
Alaska	\$12,952	\$12,443	\$12,932	3.9%	2.12	-0.1%
Arizona	\$7,886	\$4,869	\$4,958	1.8%	0.81	-37.1%
Arkansas	\$7,961	\$7,478	\$6,173	-17.5%	1.01	-22.5%
California	\$8,650	\$6,743	\$7,096	5.2%	1.16	-18.0%
Colorado	\$4,090	\$2,806	\$2,779	-1.0%	0.46	-32.1%
Connecticut	\$9,569	\$7,481	\$7,028	-6.1%	1.15	-26.6%
Delaware	\$6,549	\$4,917	\$4,858	-1.2%	0.80	-25.8%
Florida	\$8,325	\$5,199	\$4,784	-8.0%	0.78	-42.5%
Georgia	\$9,307	\$6,633	\$6,703	1.1%	1.10	-28.0%
Hawaii	\$9,928	\$7,298	\$7,173	-1.7%	1.17	-27.8%
Idaho	\$10,311	\$6,020	\$6,546	8.7%	1.07	-36.5%
Illinois	\$8,024	\$8,657	\$9,439	9.0%	1.55	17.6%
Indiana	\$5,132	\$4,417	\$4,442	0.6%	0.73	-13.5%
Iowa	\$6,605	\$4,627	\$5,013	8.3%	0.82	-24.1%
Kansas	\$6,787	\$5,559	\$5,634	1.3%	0.92	-17.0%
Kentucky	\$8,854	\$6,883	\$6,750	-1.9%	1.11	-23.8%
Louisiana	\$9,239	\$5,834	\$5,515	-5.5%	0.90	-40.3%
Maine	\$7,027	\$6,137	\$5,978	-2.6%	0.98	-14.9%
Maryland	\$8,412	\$6,894	\$6,756	-2.0%	1.11	-19.7%
Massachusetts	\$7,741	\$5,583	\$5,672	1.6%	0.93	-26.7%
Michigan	\$6,056	\$4,314	\$4,469	3.6%	0.73	-26.2%
Minnesota	\$6,868	\$4,687	\$4,614	-1.5%	0.76	-32.8%
Mississippi	\$8,365	\$5,930	\$6,162	3.9%	1.01	-26.3%
Missouri	\$7,189	\$5,338	\$5,310	-0.5%	0.87	-26.1%
Montana	\$5,101	\$4,306	\$4,294	-0.3%	0.70	-15.8%
Nebraska	\$8,135	\$7,114	\$7,357	3.4%	1.21	-9.6%
Nevada	\$9,938	\$6,798	\$6,693	-1.5%	1.10	-32.6%
New Hampshire	\$3,466	\$1,674	\$1,708	2.0%	0.28	-50.7%
New Jersey	\$7,545	\$5,975	\$5,545	-7.2%	0.91	-26.5%
New Mexico	\$10,320	\$7,751	\$8,580	10.7%	1.41	-16.9%
New York	\$8,768	\$7,508	\$7,843	4.5%	1.28	-10.5%
North Carolina	\$10,716	\$8,344	\$8,687	4.1%	1.42	-18.9%
North Dakota	\$5,622	\$6,610	\$6,561	-0.8%	1.07	16.7%
Ohio	\$5,526	\$4,223	\$4,523	7.1%	0.74	-18.2%
Oklahoma	\$8,819	\$6,702	\$6,955	3.8%	1.14	-21.1%
Oregon	\$5,853	\$3,805	\$3,875	1.9%	0.63	-33.8%
Pennsylvania	\$5,720	\$4,004	\$3,959	-1.1%	0.65	-30.8%
Rhode Island	\$6,049	\$5,133	\$4,459	-13.1%	0.73	-26.3%
South Carolina	\$7,552	\$4,597	\$4,797	4.3%	0.79	-36.5%
South Dakota	\$5,914	\$4,430	\$4,778	7.8%	0.78	-19.2%
Tennessee	\$8,850	\$5,818	\$6,022	3.5%	0.99	-31.9%
Texas	\$9,256	\$7,475	\$7,259	-2.9%	1.19	-21.6%
Utah	\$7,259	\$4,865	\$5,007	2.9%	0.82	-31.0%
Vermont	\$3,103	\$2,651	\$2,655	0.1%	0.43	-14.4%
Virginia	\$6,341	\$4,352	\$4,545	4.4%	0.74	-28.3%
Washington	\$7,464	\$4,790	\$4,849	1.2%	0.79	-35.0%
West Virginia	\$7,314	\$5,753	\$5,773	0.3%	0.95	-21.1%
Wisconsin	\$6,930	\$5,604	\$5,837	4.2%	0.96	-15.8%
Wyoming	\$16,101	\$14,349	\$16,474	14.8%	2.70	2.3%
U.S.	\$7,924	\$6,020	\$6,105	1.4%		-23.0%

Notes:

1) Educational appropriations are a measure of state and local support available for public higher education operating expenses including ARRA funds, and exclude appropriations for independent institutions, financial aid for students attending independent institutions, research, hospitals, and medical education.

2) Adjustment factors, to arrive at constant dollar figures, include Cost of Living Adjustment (COLA), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The Cost of Living Adjustment (COLA) is not a measure of inflation over time.

Source: State Higher Education Executive Officers

THE LIFE CYCLE of Colorado's Investment in Higher Education



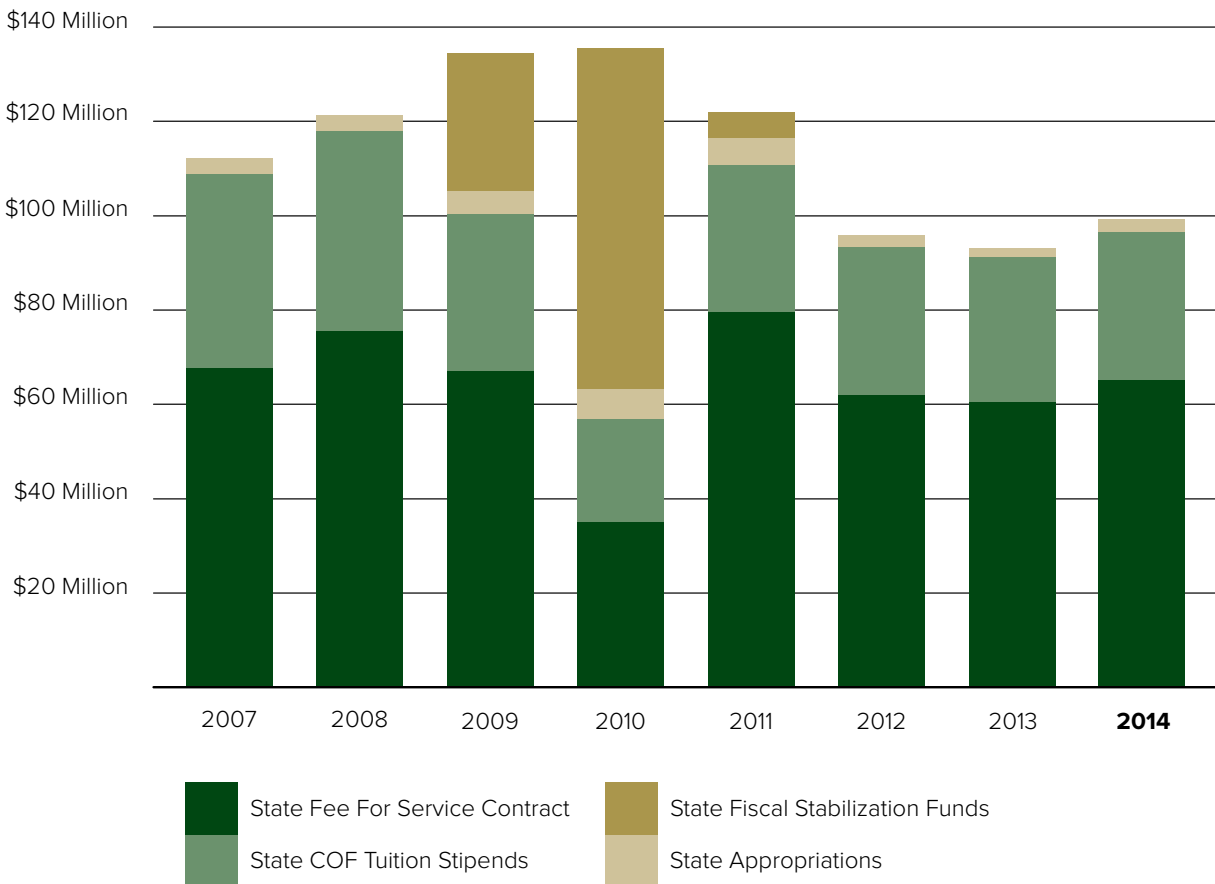
STATE SUPPORT

CSU receives its state support in the form of College Opportunity Fund tuition stipends, paid on behalf of each in-state student who enrolls, and revenue earned by providing specific services to the state under a Fee For Service contract.

Due to the nationwide economic downturn that began in 2008, the state provided State Fiscal Stabilization Funds as “backfill” for state resources beginning in Fiscal Year

2009 and continuing through FY2011. SFSF funds were a component of the American Recovery and Reinvestment Act enacted by the U.S. Congress in February 2009. Resources from the state are not expected to return to pre-economic downturn levels in future years, which results in continued pressure on the University’s tuition rates.

Fiscal Years 2007-2014



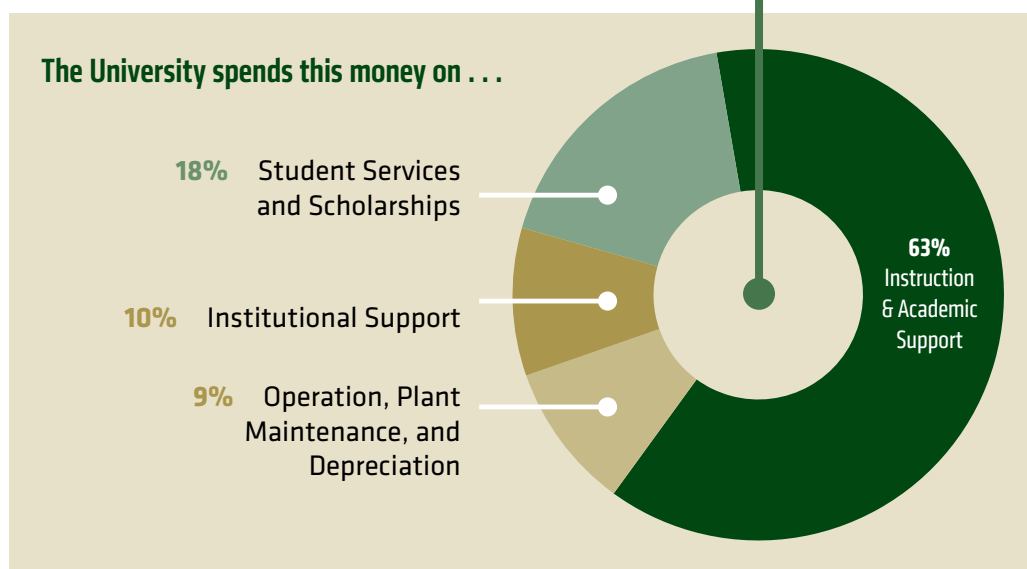
YOUR TUITION CHECK: Where Your Tuition Dollars Go

Your FY2014-2015 Tuition Check

State Tax Support (COF)

$$\begin{array}{r}
 \$7,868 \\
 \text{(per year)}
 \end{array}
 +
 \begin{array}{r}
 \$2,250 \\
 \text{(@ \$75 per credit hour)}
 \end{array}
 =
 \begin{array}{r}
 \$10,118 \\
 \text{---}
 \end{array}$$

The total CSU receives from tuition and the state to educate one student for one year.



Student Fees Support – Beyond the Classroom

Student fees are charges that students choose to assess themselves for various services above and beyond what's covered by tuition. Students retain some decision-making authority over how their fees are spent.

\$1,529 General Fees	Pays for student activities (concerts, lectures, movies); Student Recreation Center; Lory Student Center; CSU Health Network; athletics; veterans' programs; student government; Transport; counseling; and more.
\$50 University Tech Fee	Funds campus computer labs, library computing, and other technology services.
\$450 University Facility Fee	Funds classroom improvements, renovations, and construction of new, student-focused buildings.

Figures reflect annual costs for a full-time, resident student at 30 credit hours per year.

* Colorado State University FY14-15 Education and General Budget Data. This is a subset of the CSU Education and General Budget, from E&G Budget Data Book Expenditures by NACUBO Code. For total University expenditures, see Page 23.

THE COST TO STUDENTS

EDUCATIONAL COSTS PER STUDENT for 2014-2015 Paid by Students

Tuition	\$7,868
General Fees	\$1,529
University Technology Fee	\$50
University Facility Fee	\$450

At \$9,897 in resident tuition and fees, the cost to attend Colorado State remains reasonable in comparison to peers, providing a competitive advantage along with the institution's reputation for academic rigor and excellence. (See peer institution comparison table on Page 14.)

COLORADO FOUR-YEAR INSTITUTION TUITION Academic Year 2014-2015 (student share after COF)

Institution	Full-Time Undergraduate Tuition	
	Resident	Nonresident
Colorado School of Mines	\$11,832.00	\$25,176.00
University of Colorado, Boulder	\$9,048.00	\$31,410.00
Colorado State University	\$7,868.20	\$24,047.60
Univ. of Colorado, Denver	\$7,008.00	\$21,624.00
Univ. of Colorado, Colo. Spgs.	\$6,168.00	\$16,200.00
Univ. of Northern Colorado*	\$5,824.00	\$17,168.00
Fort Lewis	\$5,544.00	\$16,072.00
Western State Colo. University	\$5,539.20	\$15,984.00
Colorado Mesa University	\$5,449.20	\$14,538.00
CSU - Pueblo	\$5,188.00	\$15,595.00
Adams State University	\$5,160.00	\$15,960.00
Metropolitan State College†	\$4,972.80	\$17,791.20

* UNC defines full-time tuition rate at 13 credit hours. All other tuition calculated at 12 credit hours.

† Metro State is a commuter campus. Room and Board is represented by a private residential facility that also provides board options. The facility is linked on the Metro State website: ("The Regency" <http://www.msudenver.edu/contact/faq/housing>.)

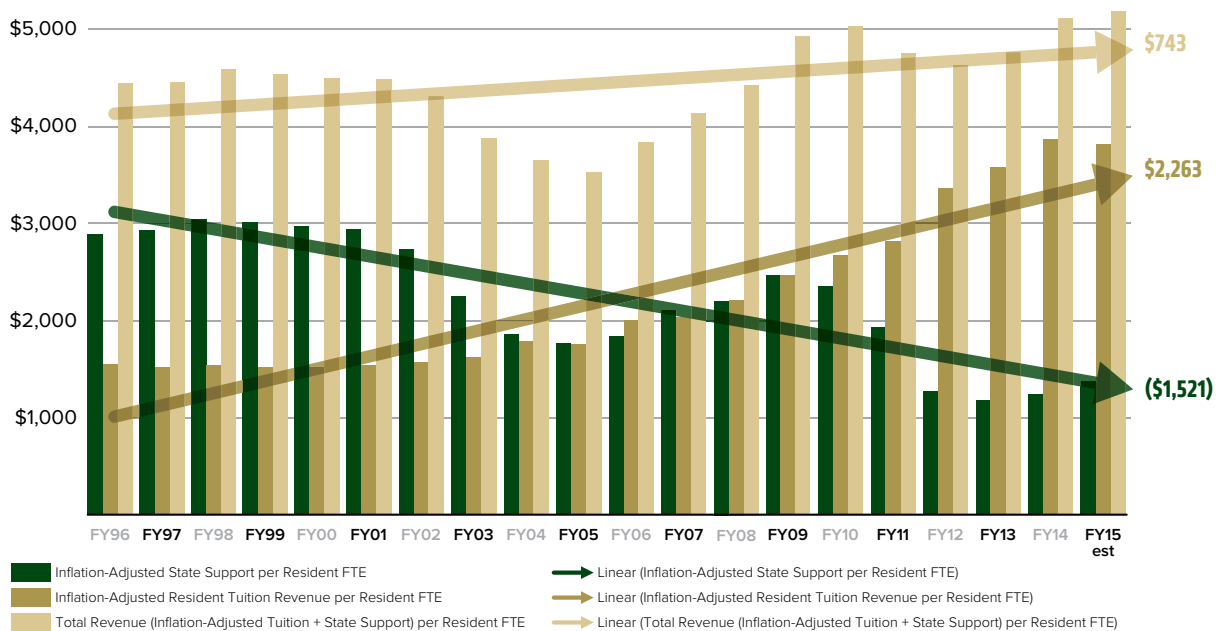
PEER INSTITUTION COMPARISON: Tuition, Fees, Room and Board – Academic Year 2014-2015

Based on 12 credit hours per term.

Peer Groups#			Tuition				Totals	
			Full-Time Undergraduate		Fees	Room and Board†	Resident	Nonresident
BOG	CDHE	Institution	Resident	Nonresident				
•	•	U.C. Davis*	\$11,220.00	\$34,098.00	\$2,675.66	\$14,726.32	\$28,621.98	\$51,499.98
	N/A	University of Colorado	9,048.00	31,410.00	1,922.86	12,810.00	23,780.86	46,142.86
•		University of Illinois, Urbana	12,036.00	26,662.00	3,566.00	10,848.00	26,450.00	41,076.00
•	•	University of Tennessee	10,366.00	28,556.00	1,510.00	10,296.00	22,172.00	40,362.00
•	•	Purdue University	9,207.80	28,009.80	794.20	10,030.00	20,032.00	38,834.00
•		Michigan State University	10,560.00	27,972.00	52.00	9,804.00	20,416.00	37,828.00
•	•	Washington State University	11,396.00	24,478.00	1,002.00	11,276.00	23,674.00	36,756.00
		Colorado State University	7,868.20	24,047.60	2,028.64	10,488.00	20,384.84	36,564.24
•	•	Virginia Tech	10,088.00	25,515.00	1,929.00	7,924.00	19,941.00	35,368.00
•	•	Texas A&M University	9,180.00	26,356.00		9,522.00	18,702.00	35,878.00
•	•	Oregon State University*	6,804.00	22,068.00	1,471.71	10,929.00	19,204.71	34,468.71
•	•	North Carolina State U.	6,038.00	21,293.00	2,258.42	10,030.00	18,326.42	33,581.42
•	•	Oklahoma State University	7,441.50	20,026.50	2,413.20	8,530.00	18,384.70	30,969.70
•	•	Iowa State University	6,648.00	19,534.00	1,083.40	8,199.00	15,930.40	28,816.40
•	•	Kansas State University	6,578.40	17,450.40	811.40	8,110.00	15,499.80	26,371.80

* Quarter system tuition and fees - AY based on Autumn/Fall, Winter, Spring quarters. † Room and Board includes max meal plan where applicable, in accordance with Common Data Set instructions. #BOG=Peers identified by the Board of Governors of the Colorado State University System; CDHE=Peers identified by the Colorado Department of Higher Education.

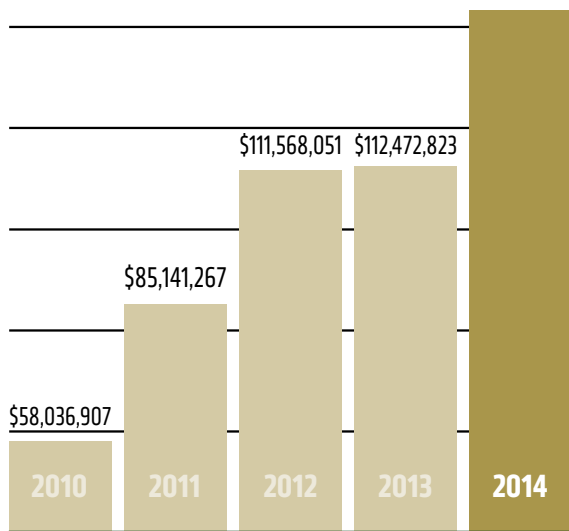
TRENDS: Inflation-Adjusted Revenue per Resident FTE



PRIVATE SUPPORT

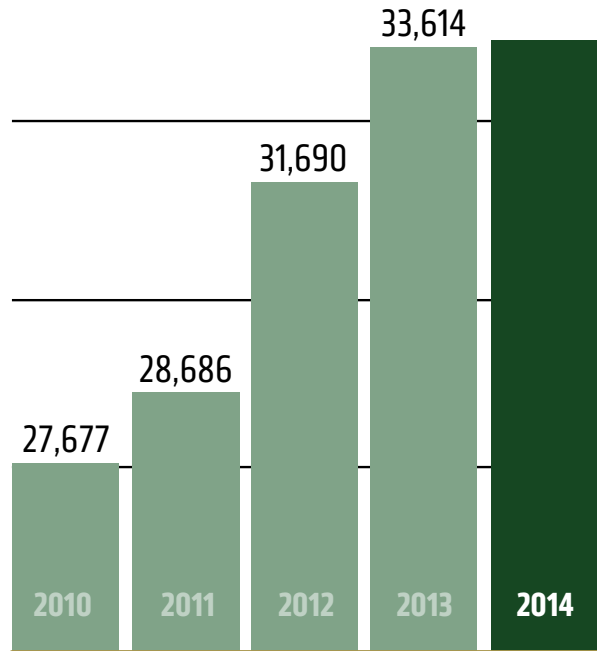
More than 33,700 donors helped make Fiscal Year 2014 another record-breaking year for fundraising at Colorado State. Donors gave more than \$143.3 million in cash, pledges, planned gifts, and gifts-in-kind to support CSU students, programs, and facilities – more than \$31 million above the previous record year, and **the most private support ever raised by a single campus in the history of the state of Colorado.**

Gifts \$143,239,094



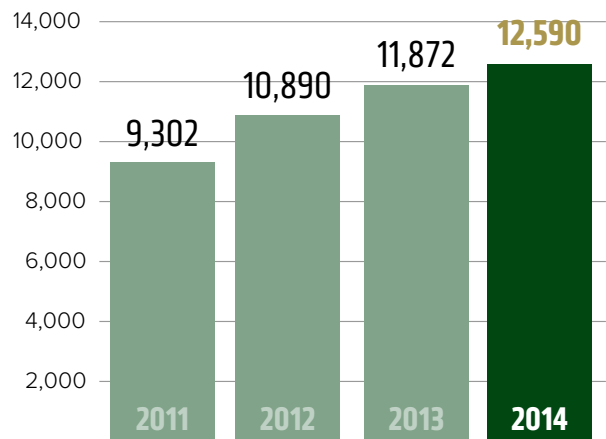
Donors

33,716



Alumni Donors

Gifts from CSU undergraduate alumni have increased in each of the past four years.



Support by Designation

in FY2014 (% in value)

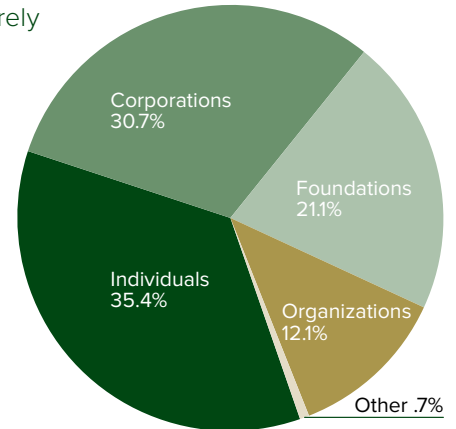
Veterinary Medicine and Biomedical Sciences	29.8%
Athletics*	14.5%
Warner College of Natural Resources	13.7%
Engineering	13.3%
Agricultural Sciences	6.0%
Natural Sciences	5.0%
Student Affairs	3.6%
Liberal Arts	3.5%
Health and Human Sciences	3.4%
Universitywide Purposes	3.2%
Business	2.7%
Enrollment and Access	.7%
Alumni Relations	.3%
Morgan Library	.2%

* includes conditional pledges for stadium

Support by Source

in FY2014 (% in value)

CSU continues to rely more on gifts from individuals than any other source.



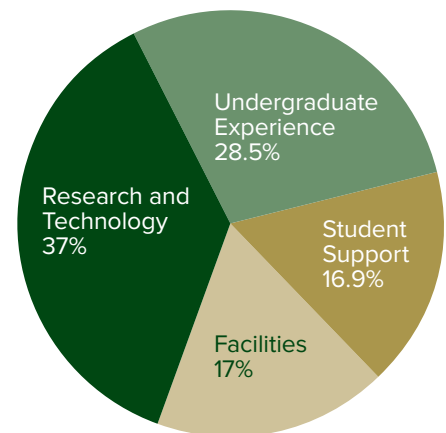
Support by Purpose in FY2014

Research and Technology gifts enable the University to support research enterprise, promote scholarship and artistry, and address global challenges.

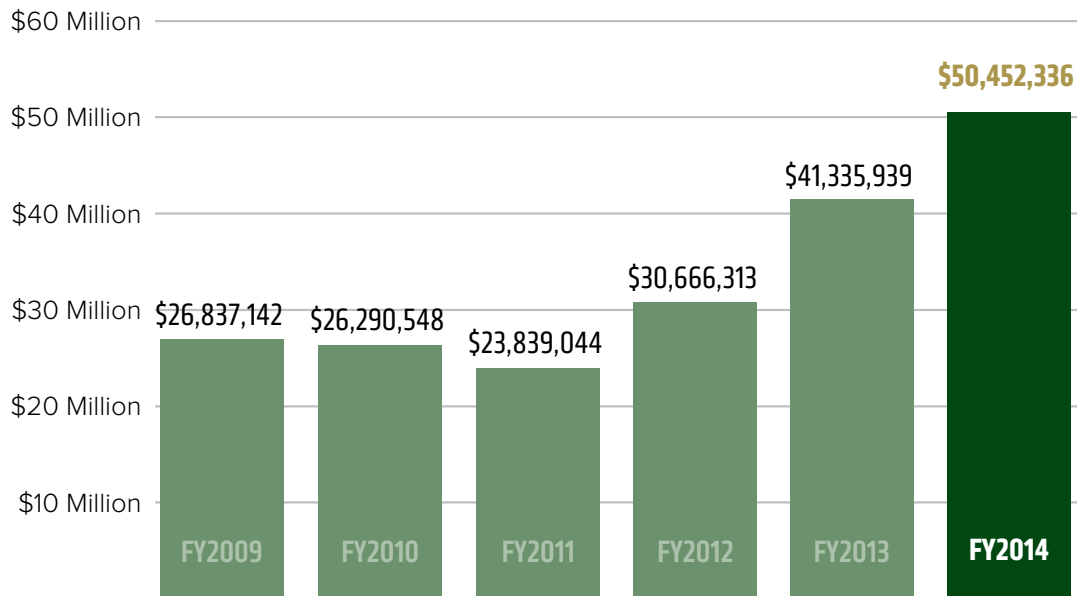
Through student organizations, internships, and education abroad, the **Undergraduate Experience** remains a top priority for both CSU and our donors.

Gifts to **Student Support** areas benefit our students through scholarships and graduate fellowships. As state support decreases and more of the burden of tuition falls to our students, scholarships continue to help maintain an avenue to access, an important part of our land-grant mission.

Private support for **Facilities** at CSU enables the University to provide an environment conducive to learning and research that keeps our students and faculty at the cutting edge of innovation and discovery.



CASH TRANSFER: from the Colorado State University Foundation to Colorado State University



The Colorado State University Foundation is a not-for-profit corporation created to assist in the promotion, development, and enhancement of the facilities and educational programs and opportunities of the faculty, students, and alumni of Colorado State University. CSUF receives, manages, and invests contributions, gifts, and bequests and applies the principal or income generated therefrom exclusively for charitable, scientific, literary, or educational purposes that will, directly or indirectly, benefit Colorado State.

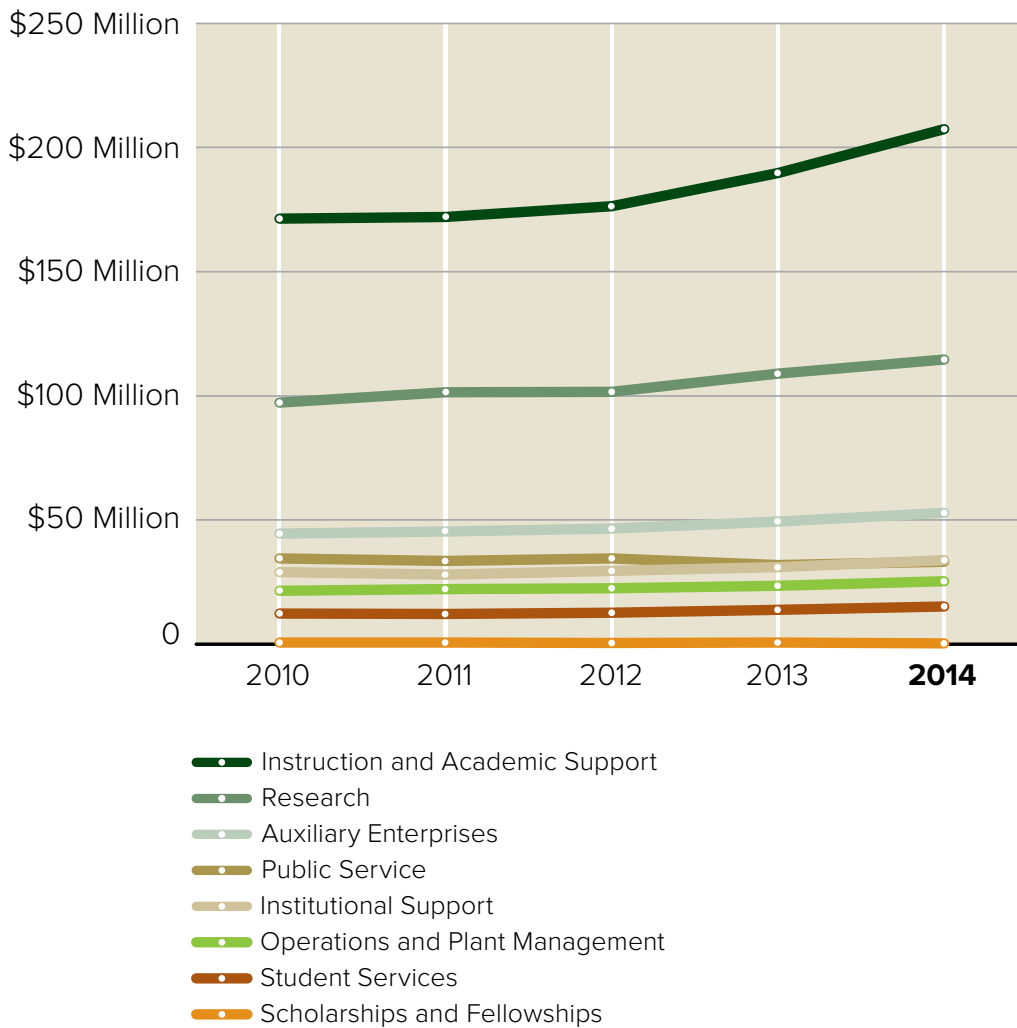
CSUF functions as Colorado State University's bank. Its goal is to enhance the purchasing power of the University's endowment while achieving the maximum total return consistent with the safety of the principal.

CSUF's board of directors has the fiduciary responsibility for the management and investment of charitable gifts for Colorado State University. The investment objectives of CSUF are designed to respond to changes in the economic environment, philosophy of the University and CSUF, and market conditions.

SALARY TRENDS

The chart below shows how CSU's salary dollars are allocated. In response to the economic downturn, the University imposed a multiyear hiring freeze in 2008. Faculty and staff did not receive pay increases in Fiscal Years 2010, 2011, and 2012. The University's permanent, full-time workforce was reduced by about 6 percent during this time, largely through attrition.

Fiscal Years 2010-2014



REVENUES AND EXPENDITURES

The charts in this section illustrate the University's sources of funding and how those funds are spent in support of the University's mission. As a land-grant university, Colorado State is charged to serve the state in three primary ways:

education of students, conduct of research to support the needs of our society and our world, and outreach to extend the University's educational and research capacity to areas of statewide need.

Operating and Nonoperating Revenues

(amounts expressed in thousands, as restated)

	2014	2013	2010
Operating revenues			
Student tuition and fees (net of scholarship allowance)	\$ 300,714 ¹	275,345 ²	202,425 ³
State COF tuition stipends	31,661 ¹	30,892 ²	21,926 ³
State fee for service contract	65,420	60,532	35,109
Grants and contracts	260,315	258,367	253,648
Sales and service of educational activities	33,871	30,260	22,926
Auxiliary enterprises (net of scholarship allowance)	133,329	126,064	114,807
Other operating revenue	6,335	6,457	5,156
Total operating revenues	\$ 831,645	787,917	655,997
Nonoperating revenues			
State appropriations	\$ 2,472	1,754	6,300
State fiscal stabilization	–	–	72,363
Gifts, capital gifts, and grants	66,514	67,467	40,905
Federal nonoperating grants and contracts	24,492	24,621	17,869
State capital contributions	1,823	852	4,235
Other nonoperating	9,484	6,286	13,280
Total nonoperating revenues	\$ 104,785	100,980	154,952
Extraordinary items			
Extraordinary items	\$ –	2,192	–
Total extraordinary items	\$ –	2,192	–
Total revenues	\$ 936,430	891,089	810,949

Total Tuition and Fees: $\Sigma 1 = 332,375$ $\Sigma 2 = 306,237$ $\Sigma 3 = 224,351$

Operating Expenses

(amounts expressed in thousands, as restated)

	2014	2013	2010
Operating expenses			
Instruction	\$ 239,212	218,867	204,095
Research	181,971	189,603	175,776
Public service	82,703	69,065	77,731
Academic support	67,375	60,056	47,475
Student services	26,940	25,154	21,692
Institutional support	41,458	38,825	34,958
Operation and maintenance of plant	59,158	52,768	50,537
Scholarships and fellowships	9,812	9,414	9,548
Auxiliary enterprises	126,365	120,785	100,161
Depreciation	70,884	66,088	43,093
Total operating expenses	\$ 905,878	850,625	765,066

The programmatic use of expenses remained relatively consistent from Fiscal Year 2010 to Fiscal Year 2014.

Revenue, Expenses, and Changes in Net Position

(amounts expressed in thousands, as restated)

	2014	2013	2010
Operating revenues	\$ 831,645	787,917	655,997
Operating expenses	905,878	850,625	765,066
Operating loss	\$ (74,233)	(62,708)	(109,069)
Nonoperating revenues (net of expenses)	55,786	49,201	123,348
Income (loss) before other revenues (net of expenses)	\$ (18,447)	(13,507)	14,279
Other revenues	26,515	31,308	19,394
Special items	(22,185)	(6,536)	–
Extraordinary items	–	2,192	–
Increase in Net Position	\$ (14,117)	13,457	33,673
Net Position, beginning of year	806,362	792,905	653,388
Net Position, end of year	\$ 792,245	806,362	687,061

REVENUE

Colorado State University's academic program is primarily funded by two sources: state support (in the form of College Opportunity Fund stipends and Fee For Service funding) and student tuition and fees.

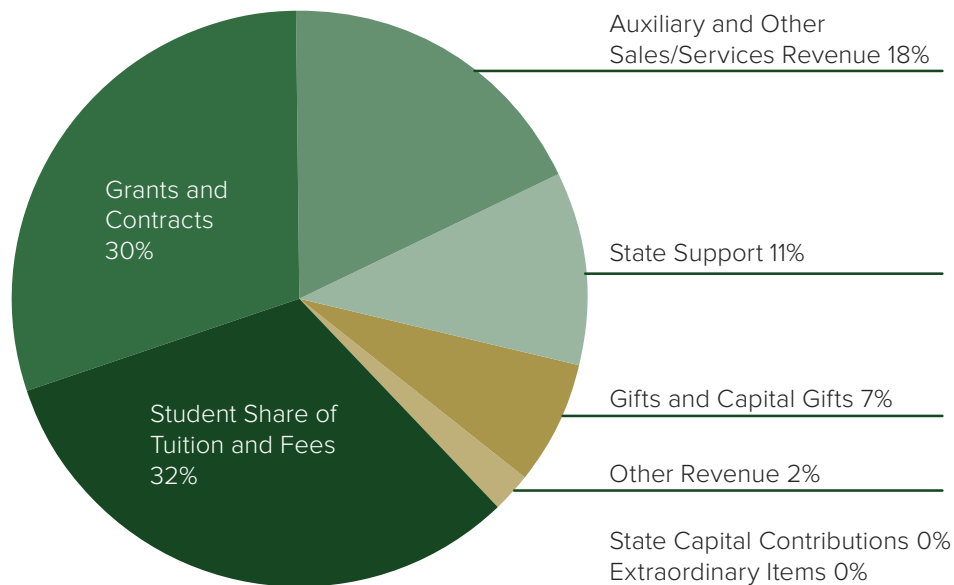
Large segments of the total University budget (including research and donor funding) generate revenue that is directed to a specific activity – to fund a particular research project or to endow a chair or scholarship, for example – and so these funds do not flow directly to the education and general budget that supports the core teaching operations of the University.

The state provides the College Opportunity Fund stipends to all in-state college students, and these stipends are then paid out to the university in which each student chooses to enroll. The University also receives

state support in the form of revenue generated from the state Fee For Service contract. Under this contract, the University provides graduate education services, Professional Veterinary Medicine programs, and services to the citizens of the state from the CSU agencies that include CSU Extension, Agricultural Experiment Station, and the Colorado State Forest Service.

A small subset of University operations, including the Lory Student Center, Housing and Dining Services, and continuing and distance education, are self-supporting auxiliary enterprises funded through charges assessed to users of those services.

Fiscal Year 2014



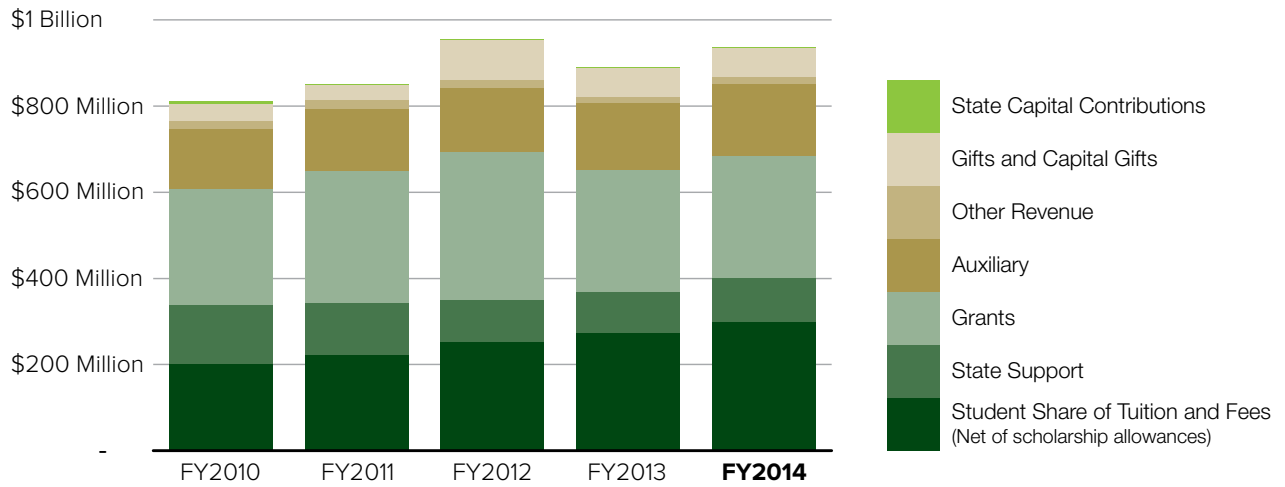
REVENUE TRENDS 2010-2014

The distribution among revenue categories has remained relatively consistent from year to year, as demonstrated by the chart "Revenue by Percentage" below.

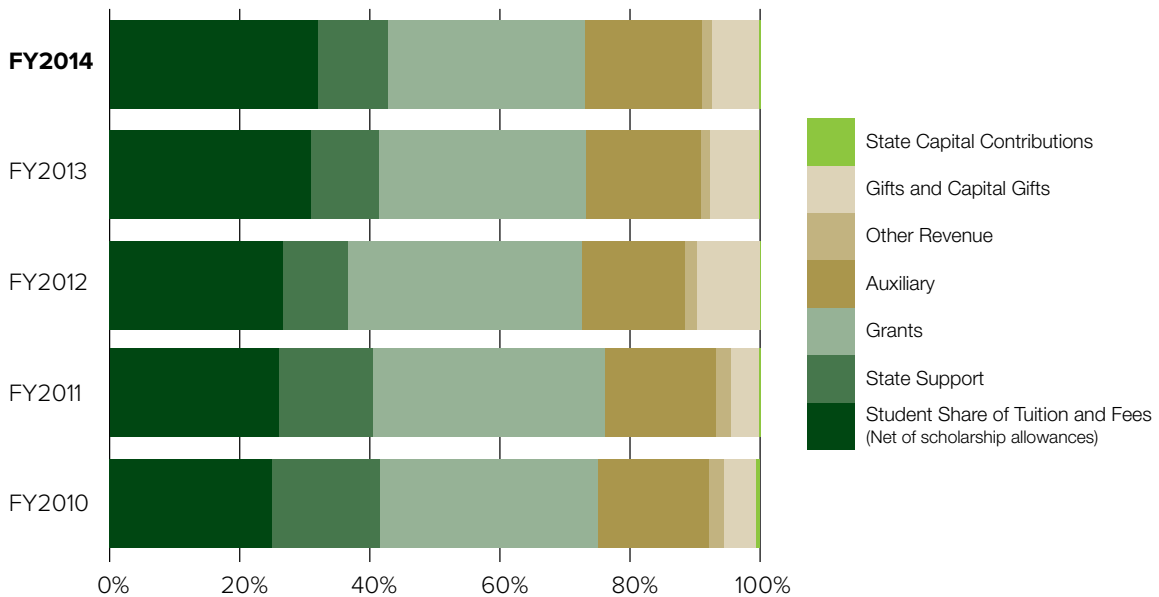
The areas reflected within the bottom chart experiencing the greatest changes are the combination of the Student

Share of Tuition and Fees along with State Support. Although when combined they are relatively stable, individually State Support is declining while the Student Share of Tuition is increasing.

Revenue by Amount



Revenue by Percentage

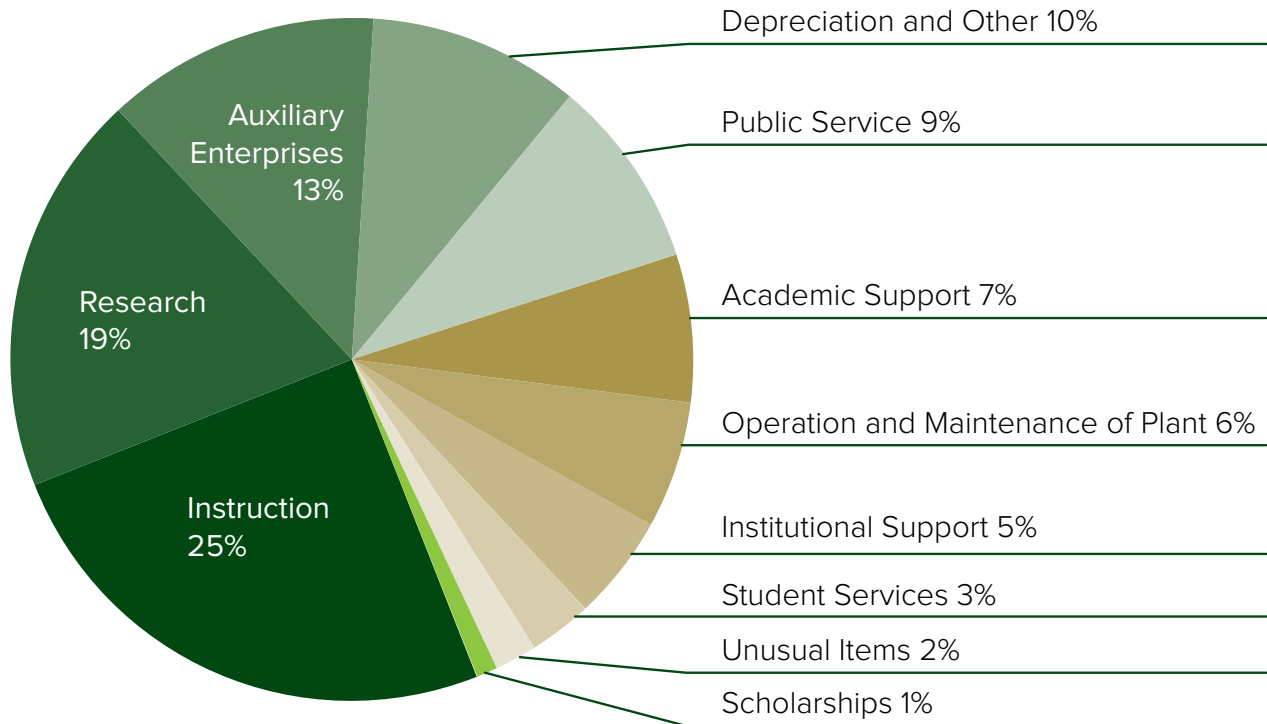


EXPENDITURES

Even during tight budget times, Colorado State University has focused on academic priorities: teaching (funded by tuition and state support) and research (funded primarily by grants and contracts). Administrative costs – shown here as Institutional Support – account for 5 percent of the University’s budget.

As the University has grown over the past five years, the University’s total operating expenses have increased from \$765.1 million to \$905.9 million, an overall increase of about 18 percent from Fiscal Year 2010 to Fiscal Year 2014. The largest component of each category of expenditure is salary, which is depicted further in the following two charts.

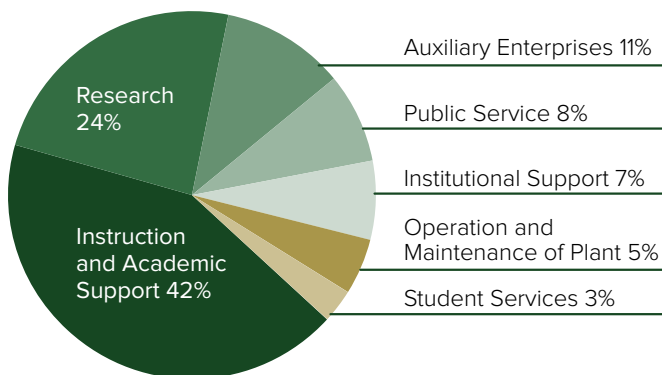
Fiscal Year 2014



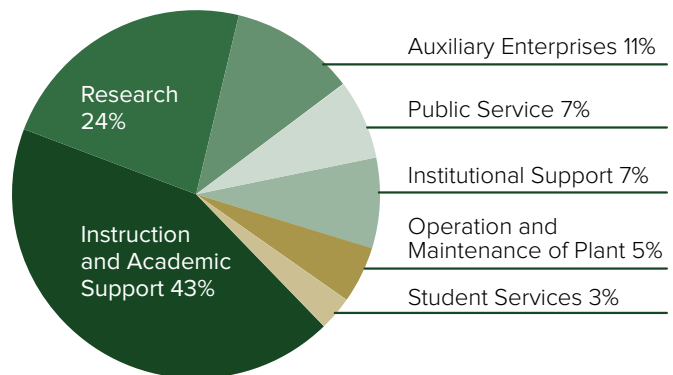
Salary Expenditures by Functional Area

Fiscal Years 2010 and 2014

2010



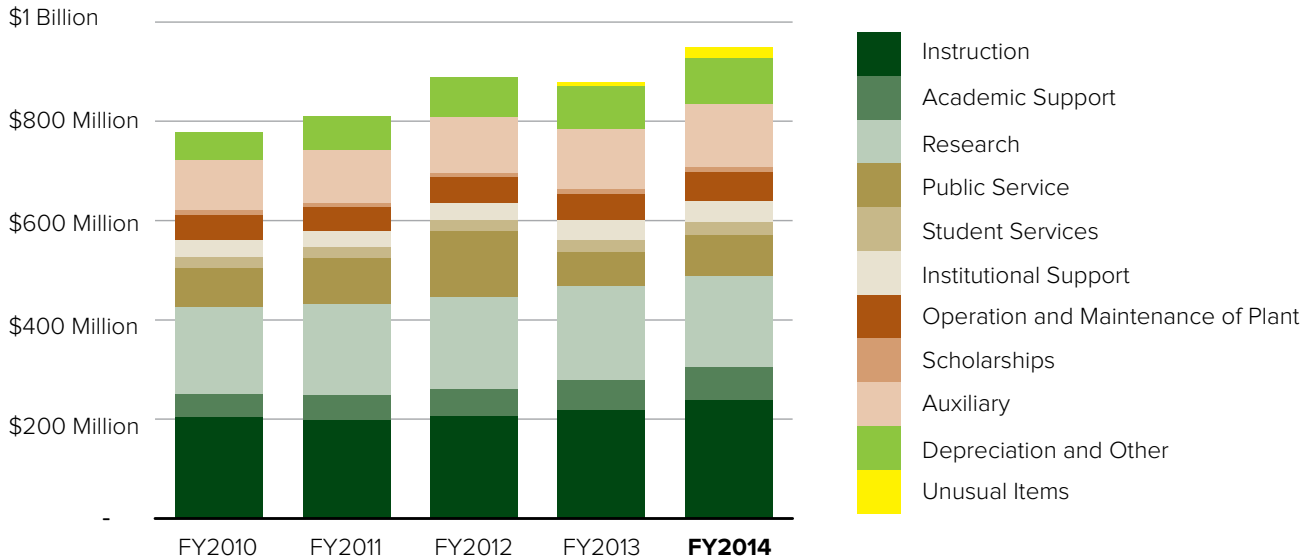
2014



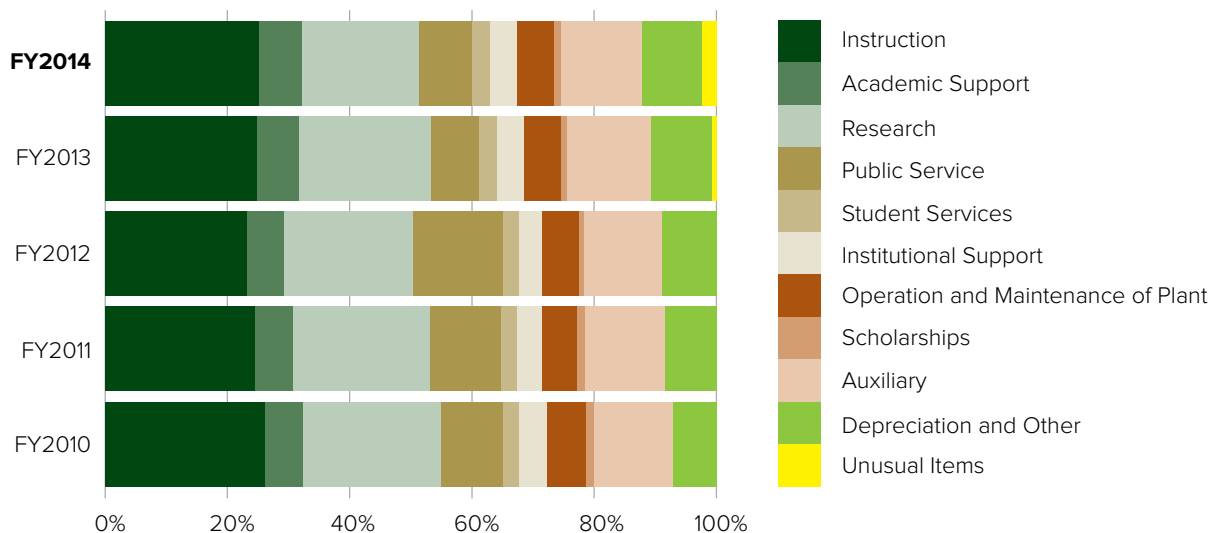
EXPENDITURE TRENDS 2010-2014

Although the expenditure base is growing, as demonstrated in the chart “Expenditures by Amount,” the distribution among the expenditure categories has remained relatively constant between 2010 and 2014, as shown by the chart “Expenditures by Percentage.”

Expenditures by Amount



Expenditures by Percentage



ASSETS

While the charts and graphs of revenue and expenditures provide information about activities occurring within each fiscal year, the schedules of our assets, liabilities, and net

position, below and on Pages 26 and 27, provide a fiscal snapshot of the University as of the end of each fiscal year presented.

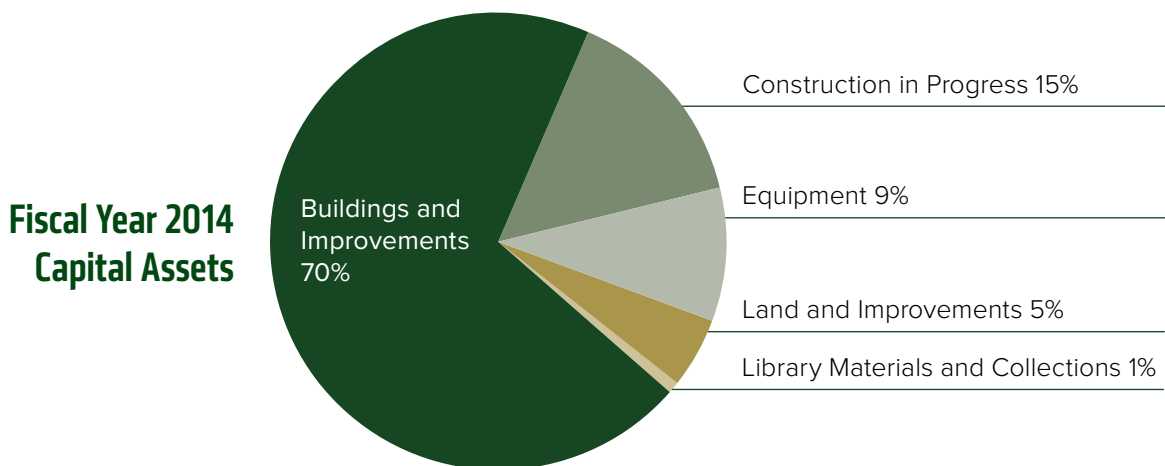
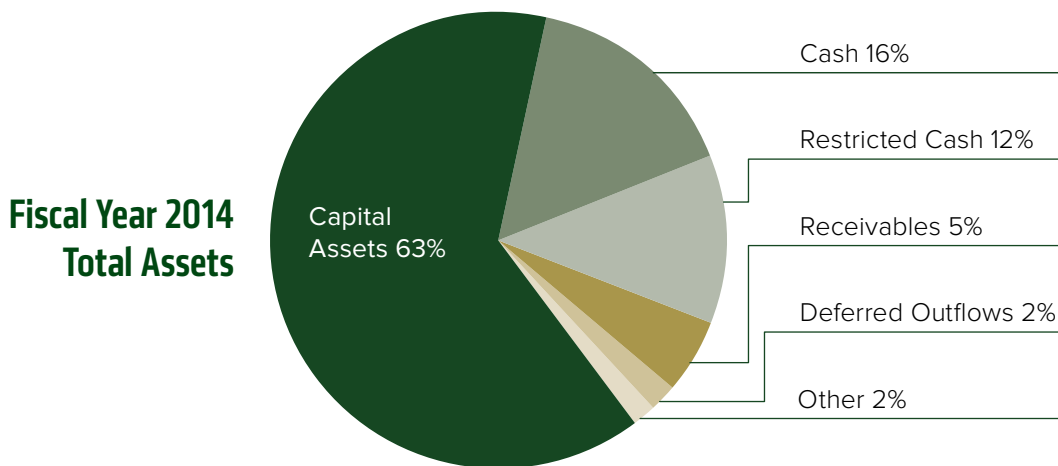
(amounts expressed in thousands, as restated)

	2014	2013	2010
Current assets			
Cash and cash equivalents	\$ 272,266	319,139	262,131
Student accounts receivable, net	21,916	23,042	14,867
Grants and other accounts receivable, net	49,325	57,395	68,453
Student loans receivable, net	2,416	2,301	2,168
Inventories	7,179	6,635	7,100
Prepaid expenses	11,201	9,351	4,378
Total current assets	\$ 364,303	417,863	359,097
Noncurrent assets			
Restricted cash and cash equivalents	\$ 181,182	141,422	54,447
Restricted investments	25,665	23,714	17,791
Student loans receivable, net	17,875	18,077	17,699
Other noncurrent assets	11,512	26	10,693
Nondepreciable capital assets			
Land	26,564	24,216	19,469
Construction in progress	162,156	87,307	190,287
Collections	2,354	2,141	1,749
Total nondepreciable capital assets	\$ 191,074	113,664	211,505
Depreciable capital assets			
Land improvements	\$ 27,011	28,148	22,676
Building and improvements	770,420	751,657	479,857
Leasehold improvements	3,602	840	577
Equipment	102,702	107,415	56,067
Library materials	6,614	8,124	16,637
Total depreciable capital assets, (net of A/D)	\$ 910,349	896,184	575,814
Total noncurrent assets	\$ 1,337,657	1,193,087	887,949
Deferred outflows			
Loss on Bond Refundings	28,777	30,796	–
Total deferred outflows	28,777	30,796	–
Total assets and deferred outflows	\$ 1,730,737	1,641,746	1,247,046

The University has Library holdings including more than 2 million books, bound journals, and government documents, along with additional materials including computers. Given limits on the state’s ability to provide funding for capital construction and improvements in recent years, the University’s students voted in 2005 to assess themselves a University Facility Fee to support capital construction and renovations that enhance the quality of student life and learning. The allocation of that fee is governed by a student-run University Facility Fee Advisory Board (<http://uffab.colostate.edu>).

Colorado State University includes:

- The 586-acre Main Campus, which includes 101 acres for the James L. Voss Veterinary Teaching Hospital
- 1,433-acre Foothills Campus
- 1,575-acre Agricultural Campus
- 1,177-acre Pingree Park mountain campus
- 4,038 acres of land for research centers and Colorado State Forest Service stations outside of Larimer County.



LIABILITIES

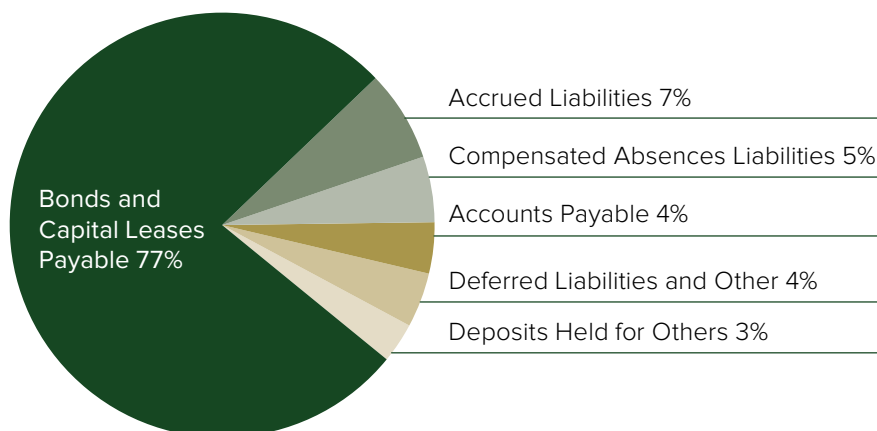
The primary liability of the University is its obligation relating to bonds and capital leases. These obligations relate to the financing of the capital assets discussed

on the previous page, which are critical to support our land-grant mission of teaching and learning, research and discovery, and outreach and public service.

(amounts expressed in thousands, as restated)

	2014	2013	2010
Current liabilities			
Accounts payable	\$ 37,250	40,452	47,063
Accrued liabilities	64,813	69,595	65,042
Deferred revenue	31,501	30,950	20,822
Deposits held for others, current	5,570	6,015	4,823
Bonds payable and certificates of participation, current	17,145	15,504	6,080
Capital leases payable, current	1,904	1,725	1,134
Other noncurrent liabilities, current	2,325	2,236	1,914
Compensated absences liabilities, current	2,256	2,296	2,129
Total current liabilities	\$ 162,764	168,773	149,007
Noncurrent liabilities			
Bonds payable and certificates of participation	\$ 694,532	566,662	339,705
Capital leases payable	6,022	4,175	2,534
Deposits held for others	26,386	26,812	15,589
Other noncurrent liabilities	4,317	28,622	15,065
Compensated absences liabilities	44,471	40,340	38,085
Total noncurrent liabilities	\$ 775,728	666,611	410,978
Total liabilities	\$ 938,492	835,384	559,985
Net position	\$ 792,245	806,362	687,061
Total Liabilities and Net Position	\$1,730,737	1,641,746	1,247,046

Fiscal Year 2014 Total Liabilities



BUDGET AND PLANNING PROCESS

CSU's Budget and Planning Process: Opportunities for Student, Parent, and Public Input

Part of CSU's commitment to accountability involves an open, public campus planning and budgeting process.

- The University publishes a rough draft budget in August for the next fiscal year. The goal of this draft budget is to give the Board of Governors and the President platforms for campus review and discussion – and for working with state lawmakers as they consider higher education's funding needs.
- The campus and community have several opportunities to provide input into both the draft budget and the preparation of more final budgets in the winter and spring. Over this time period, the University also makes adjustments for changes and developments that have arisen.
- As various draft budgets are developed, they are tied to University strategic planning efforts in a transparent and coherent way.
- The Colorado General Assembly and the Office of the Governor work together throughout the spring each year to finalize state budgets and appropriations, which determine the level of state support and tuition that the Board of Governors of the CSU System approves for each System campus.
- The CSU strategic plan is updated regularly to reflect new priorities, new environments, new opportunities, and new ideas.

As part of this process, the University Provost each spring hosts planning and budget hearings that are open to all interested members of the campus and community. Draft budgets and related communications are also regularly updated and posted online at <http://www.president.colostate.edu/budget/index.aspx>.





Colorado State University

An equal-access and equal-opportunity University