

**ACCOUNTABILITY REPORT 2018**



**COLORADO STATE UNIVERSITY**



## ABOUT COLORADO STATE UNIVERSITY

COLORADO STATE UNIVERSITY, the flagship campus of the CSU System, is a major public research university in Fort Collins, Colo.

A doctorate-granting institution established in 1870, CSU is the state's land-grant University, with a mission to offer access to an excellent education, provide outreach that serves society, and conduct research that serves the public interest and advances our world.

The campus is home to 33,800 students in 2018-2019, 69 percent of whom are Colorado residents. With more than 7,500 employees statewide, it is the largest single employer in Northern Colorado. CSU offers 76 fields of undergraduate study, 136 graduate degree programs (64 master's, 21 professional, and 51 doctoral, including a professional degree in veterinary medicine), and 43 graduate certificates.

## ABOUT THE COLORADO STATE UNIVERSITY SYSTEM

THE COLORADO STATE UNIVERSITY SYSTEM and its three campuses – Colorado State University-Fort Collins, CSU-Pueblo, and CSU-Global Campus – work as partners with the state of Colorado to spark innovation, hone ideas, improve economic vibrancy, and enhance quality of life for the people of Colorado.

The CSU System campuses educate more than 40,000 new and returning scholars every year.

The CSU System exists to support, enhance, and protect the unique missions of its constituent institutions and to encourage collaboration that benefits students and Colorado.

Photo by Joe A. Mendoza

**THIS ANNUAL ACCOUNTABILITY REPORT** provides an overview of Colorado State University's audited financial statements and institutional outcomes data for the 2018 fiscal year.

We publish this annual report to provide fundamental information about how Colorado State University manages its resources – including the funds entrusted to it by the taxpayers of Colorado and the tuition and fees paid by families and students. In addition, we hope some of the information on these pages helps you more fully realize the return on your own investment in Colorado State.

Accountability isn't just about the bottom line. It's about behavior. It's about living up to the highest expectations. It's about delivering on our mission and returning exceptional value to the state of Colorado in terms of educated students, research innovation, and statewide outreach programs that benefit communities and families.

Accountability and transparency are part of our responsibility as a public university, and we welcome your interest in this information.

Sincerely,

Dr. Tony Frank  
President



MaryNeiberg.com

“As one of the best universities in Colorado, CSU not only attracts students from across the country but also retains them and helps them graduate on time.”

Schools.com, August 2018

# CSU's Economic Impact in Colorado

CSU generates **\$465.2M**  
in yearly tax revenue for the state

**1** in **25** Colorado workers has a CSU degree

**\$560M** in economic activity  
generated in **2.5** years from CSU construction

**3,602** non-CSU jobs created over **2.5** years

**105,000+** CSU alumni work in Colorado today



## CONTENTS

CSU Ranks Among the Best	6
CSU Invests in Military Veterans	7
CSU Serves Every Colorado County	8
Innovation and Service: The CSU System	10
Partnerships and Key Issues Impacting the State	12
National Western Center	13
Colorado's Investment in Higher Education	14
The Shifting Burden for Public Higher Education	15
Where Tuition Dollars Go	16
CSU Costs are Comparable	17
A Decade of Donor Support	19
CSU Budget: Prioritizing Teaching, Research, and Service	21
Revenue Sources	23
Revenue by Amount and Percentage	24
Spending Prioritizes Core Mission Areas	26
Expenses and Expenditures by Category	27
Investing in People	28
Salary Expenses	29
CSU Assets	30
Obligations and Liabilities	33
Responsible Stewardship	34
Budget Planning Process	35

## ACCOUNTABILITY AT COLORADO STATE UNIVERSITY

**THIS ANNUAL ACCOUNTABILITY REPORT** provides public access to Colorado State University's assets and expenses, derived from CSU's audited financial documents. Additional resources related to institutional performance, costs, and accountability can be found at:

### CSU ACCOUNTABILITY WEBSITE

Current and past copies of this report, college and division operating budget summaries, Fact Book data.

<http://accountability.colostate.edu>

### BUDGET UPDATES AND COMMUNICATIONS

CSU budget drafts and an interactive budget planning tool that lets you turn the dial on next year's revenues and expenses.

<https://president.colostate.edu/budget-updates>

### INSTITUTIONAL RESEARCH, PLANNING, AND EFFECTIVENESS

Detailed data, analyses, and research briefs on all aspects of University operations, including student success.

<https://www.ir.colostate.edu/>

### CSU POLICIES AND COMPLIANCE

Library of CSU policies and tools related to organizational policies and compliance. <http://opc.prep.colostate.edu/>

An equal-access and equal-opportunity University

Cover: Photo by William A. Cotton

This Page: Photo by John Eisele

## CSU RANKS AMONG THE BEST LOCALLY, NATIONALLY, GLOBALLY

Colorado State University is an elite public research university, a Carnegie Research University (very high research activity), and a Carnegie Community Engaged University. The National Science Foundation ranks CSU among the top 10 percent of U.S. research universities for R&D activity.

**TOP TIER** CSU is among the **Top Tier of U.S. Universities** in the *U.S. News and World Report* annual rankings.

**BEST FOR VETS** *Military Times* ranks CSU in the nation's **Top 5 Public Universities** in its "Best for Vets" annual report.

**HIGH INTEGRITY** CSU is one of only 16 U.S. institutions that has **never had a major NCAA violation**.

**WORLDWIDE QUALITY** CSU ranks among the **Top Universities in the World** in the Shanghai Jiao Tong Academic Ranking of World Universities.

**INNOVATIVE LEADER** CSU is the only university in Colorado designated as an **Innovation and Economic Prosperity University** by the Association of Public and Land Grant Universities.

**COLORADO'S SCHOOL OF CHOICE** More Colorado high school graduates choose CSU than any other campus in the state. Over the past decade, more than 58,118 degrees were awarded to Colorado residents and more than 2,576 of those were delivered online. **Currently, one out of every 25 Colorado workers has a CSU degree.**

### TOTAL COLORADO STATE UNIVERSITY DEGREES AWARDED BY YEAR

Full Year	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017 - 18
CSU Online Resident	67	141	154	171	247	244	243	282	290	327	410
CSU Online Nonresident	130	227	294	287	340	371	381	447	444	454	515
Main Campus Resident	4,681	4,677	4,916	4,917	5,164	5,206	5,255	5,304	5,099	5,189	5,134
Main Campus Nonresident	1,036	938	921	980	1,007	1,173	1,209	1,329	1,527	1,558	1,669
<b>TOTAL:</b>	<b>5,914</b>	<b>5,983</b>	<b>6,285</b>	<b>6,355</b>	<b>6,758</b>	<b>6,994</b>	<b>7,088</b>	<b>7,362</b>	<b>7,360</b>	<b>7,528</b>	<b>7,728</b>

## COLORADO STATE UNIVERSITY INVESTS IN MILITARY VETERANS

Since the passage of the Post-9/11 GI Bill a decade ago, the number of GI Bill benefits-using students at CSU has more than tripled, from 454 to 1,596.

**IN TOTAL**, CSU currently has 1,900 students using the Post-9/11 GI Bill, Department of Defense, or VA education benefits.

**MILITARY-CONNECTED STUDENTS** are choosing CSU for its outstanding programs, scholarships, and value-based model approach to educating and serving those who have served our country.

**IN ITS MOST RECENT RANKINGS**, *Military Times* named CSU No. 5 for public universities and No. 6 overall nationally in its annual "Best for Vets" publication.

**THE STUDENT VETERANS OF AMERICA** presented the William Pearson Tolley Champion for Veterans in Higher Education Award to President Tony Frank in 2019, recognizing CSU's long-standing commitment to significantly improve higher education for student-veterans.

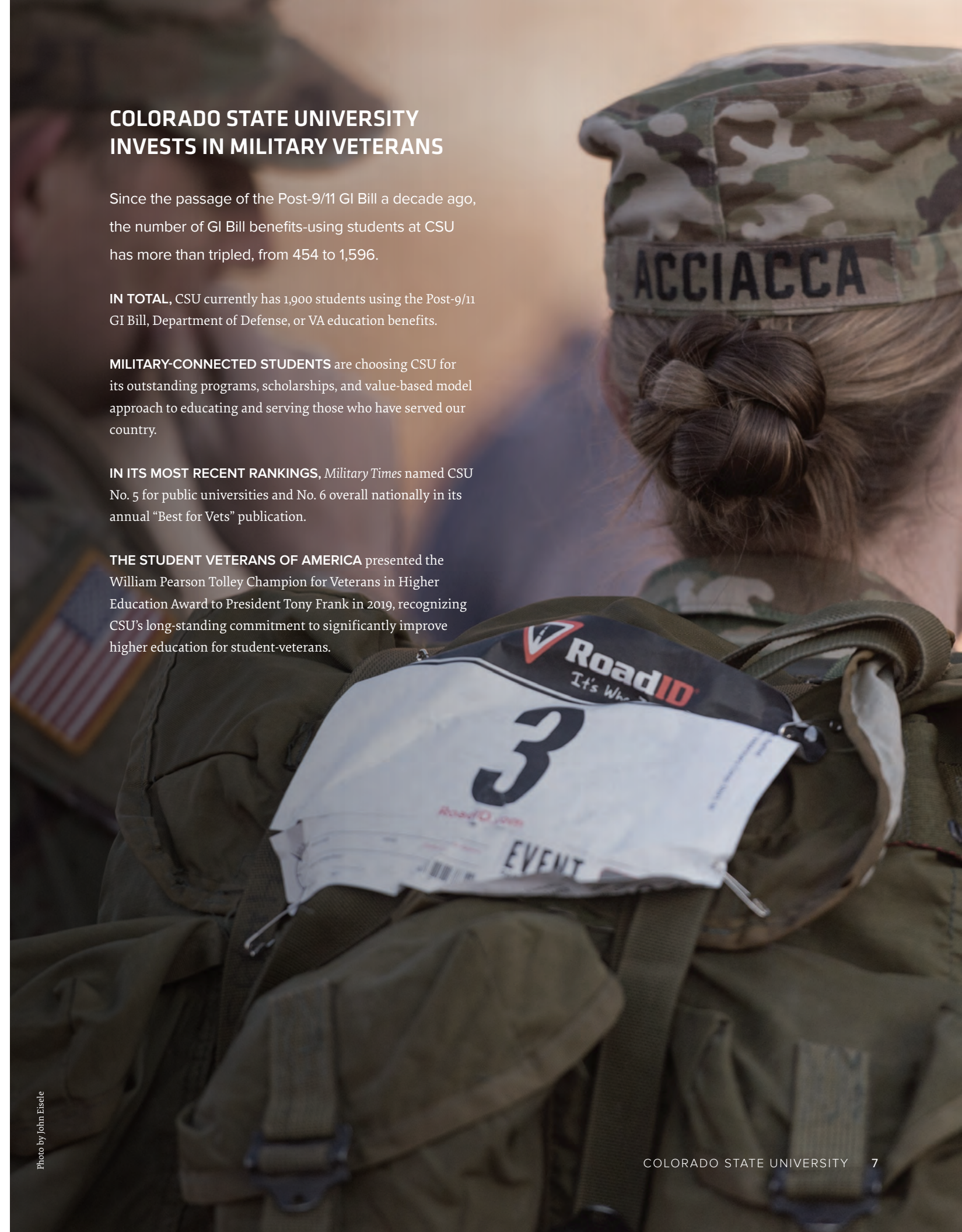
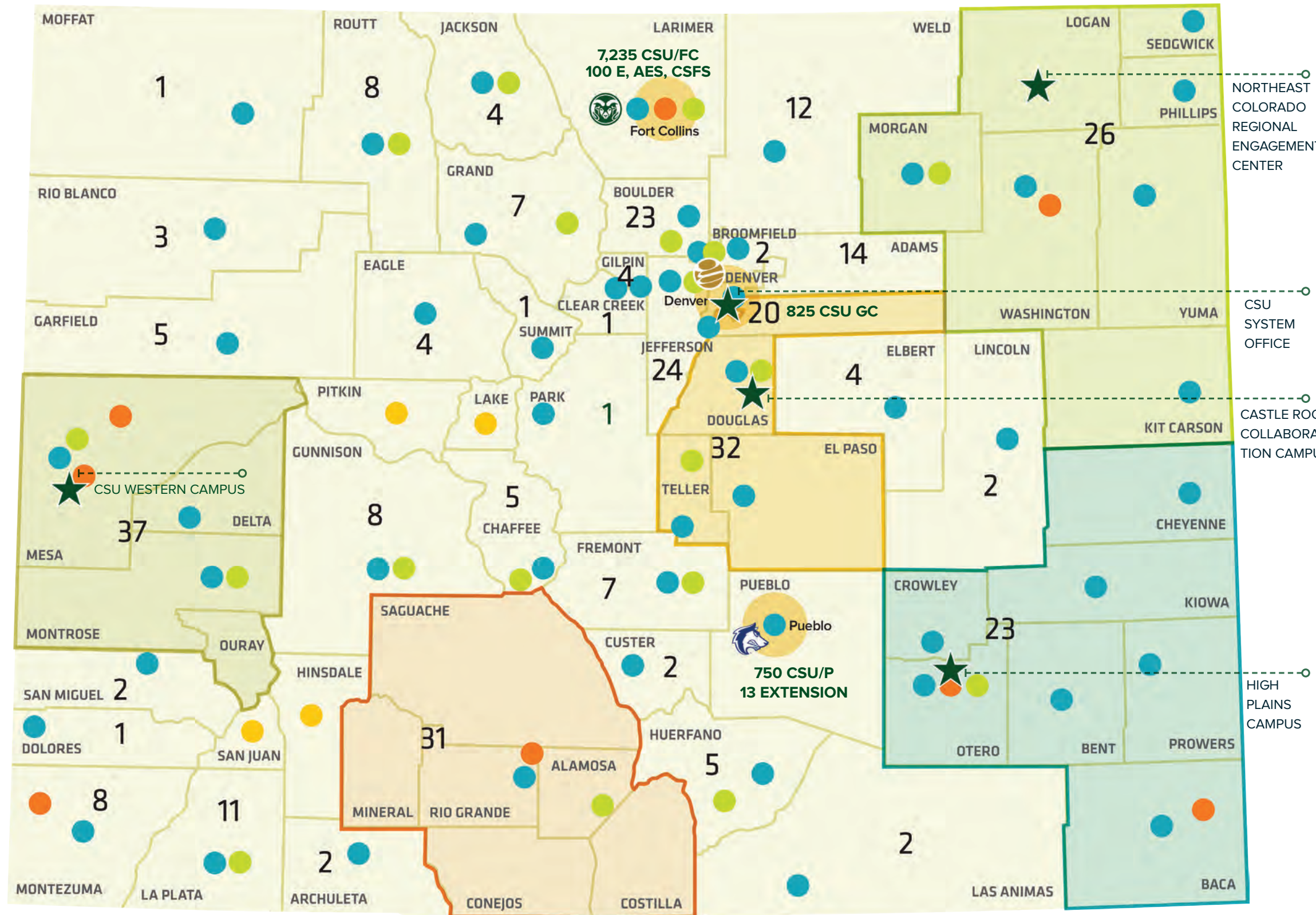


Photo by John Eisele



## CSU SERVES EVERY COLORADO COUNTY

The Colorado State University System has permanent employees living and working throughout the state of Colorado, providing direct services to every county in the state.

Numbers indicate number of permanent Extension, AES, and CSFS employees serving the county or region.

- Extension Office location (E)
- Agricultural Experiment Station location (AES)
- Colorado State Forest Service location (CSFS)
- Served by adjacent county personnel
- Counties served by CSU Western Campus
- Counties served by the San Luis Valley Area
- Counties served by High Plains Campus
- Counties served by Castle Rock Collaboration Campus
- Counties served by the NE Colorado Regional Engagement Center

## CSU extends to every corner of Colorado

**7** Agricultural Experiment Stations.  
**19** Colorado State Forest Service district and field offices.  
**64** counties provided services by CSU Extension.

## INNOVATION AND SERVICE: THE COLORADO STATE UNIVERSITY SYSTEM

THE COLORADO STATE UNIVERSITY SYSTEM delivers great education, economically important research, and responsive service to the people of Colorado through its three distinct campuses and key statewide partnerships, including the new National Western Center in Denver.

The System and all its campuses are committed to delivering exceptional, competitive education at reasonable cost, while limiting student debt.

### CSU is Colorado residents' university of choice

**58,118** CSU degrees were awarded to Colorado residents over past decade (FY08-FY18). **1** in **25** Colorado workers has a CSU degree. **2,576** CSU degrees were earned online by Colorado residents over past decade (FY08-FY18)

## CSU SYSTEM CAMPUSES

### COLORADO STATE UNIVERSITY IN FORT COLLINS

CSU's flagship campus is a world-class research institution that educates more Colorado high school graduates than any other campus in the state, with the lowest tuition of any of the state's major research universities. As the state's land-grant University, CSU has a statewide service mission that includes the Colorado State Forest Service, Colorado Agricultural Experiment Stations, and Extension (which includes 4-H).

- **33,800** students
- **69%** Colorado residents
- **22%** minority
- **20%** first-generation
- **80%** incoming students receive financial aid

### CSU-GLOBAL CAMPUS

As the nation's first fully accredited, 100 percent online public university, CSU-Global is the premier provider of innovative higher learning opportunities for nontraditional students in Colorado and beyond.

- **20,000 students** from every Colorado county and every U.S. state and territory – primarily working adults from diverse backgrounds with average age of 35 years.
- **CSU-Global is entirely tuition-funded** and does not receive appropriations from the state of Colorado.

### CSU-PUEBLO

CSU-Pueblo is the people's university of the American Southwest, promoting resilience, agility, and problem-solving and preparing our diverse graduates for success in the working world. CSU-Pueblo is a federally designated Hispanic Serving Institution, with academic expertise in mass communications and new media, engineering, business, nursing, athletics training, the sciences, and more.

- **4,500** students
- **86%** Colorado residents
- **49%** minority
- **33%** first-generation
- **90%** receive financial aid





**CSU IS AT THE FOREFRONT OF KEY ISSUES IMPACTING THE STATE THROUGH A VARIETY OF INNOVATIVE PARTNERSHIPS:**

CSU-Pueblo's Cannabis Research Institute is playing an instrumental role in the sound development of the Colorado cannabis/hemp industry through research and training initiatives.



CSU and Adams State University have partnered to offer students in the San Luis Valley the chance to study agriculture without leaving home, offering CSU agriculture classes through their hometown ASU campus.



CSU has restructured its outreach operations to make them more community-focused. As a result, Colorado counties are happy with the improved service and 4-H is strong, serving every county in Colorado.



Partnering with legislators, Colorado counties, and the Ag Experiment Station network, CSU is building a Western Colorado campus at its facility in Orchard Mesa.



The CSU System supports student-veterans at all its campuses – the flagship campus in Fort Collins has been named one of the top military-friendly schools in the country.



The new regional engagement hubs serve as a bridge between Colorado regions and the CSU System.



**COLORADO STATE UNIVERSITY CAMPUS AT THE NATIONAL WESTERN CENTER**

The Colorado State University Campus at the National Western Center is scheduled to break ground in 2020 and open in 2021, providing a centralized, statewide research hub tackling pressing global issues and providing an educational space open to all.

The CSU presence at the National Western Center will focus on health, water, energy, food, and the environment in three key facilities:

- CSU Water Building
- CSU Animal Health Complex
- CSU Center for Food and Agriculture

Programming and community opportunities at the CSU NWC Campus will include:

- K-12 and family learning
- Continuing education and master's programs
- Workforce development
- Summer camps for kids
- Teacher training
- Community and industry kitchen
- Research in action

Learn more at <https://nwc.colostate.edu/>



## COLORADO'S INVESTMENT IN HIGHER EDUCATION TODAY MEANS A STRONGER ECONOMY TOMORROW



Photo by Joe A. Mendoza

## CUTS TO HIGHER EDUCATION MEAN CSU FAMILIES PAY MORE FOR TUITION

### THE SHIFTING BURDEN FOR PUBLIC HIGHER EDUCATION IS A NATIONAL TREND

In 2017 – for the first time ever – more than half of all states relied more heavily on tuition than on educational appropriations. Public universities in Colorado rely on two funding sources to educate students: tuition and taxpayer support provided through the state's General Fund.

#### IN COLORADO:

##### COSTS ARE STABLE:

The cost to educate a student at Colorado State University has held relatively flat for most of the past two decades, when adjusted for inflation. But while costs are stable, there has been a shift in who pays the bill.

##### STUDENTS AND FAMILIES PAY A GREATER SHARE:

Twenty years ago, the state of Colorado paid two-thirds of every student's education. Today, the state pays less than a quarter of the cost – with students and families shouldering the rest.

##### HIGH QUALITY AT A LOWER COST:

Even as the cost burden has shifted, Colorado remains a moderate tuition state. 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.

As a result, Colorado delivers a high-quality degree at a lower cost to the state than anywhere else in the country.

## CSU students graduate

**71%** of students who enroll at CSU graduate.

**79%** of CSU students who graduate do so in **4.5** years or less.

CSU's **4**-year graduation rate has increased **4%** in the last **5** years.



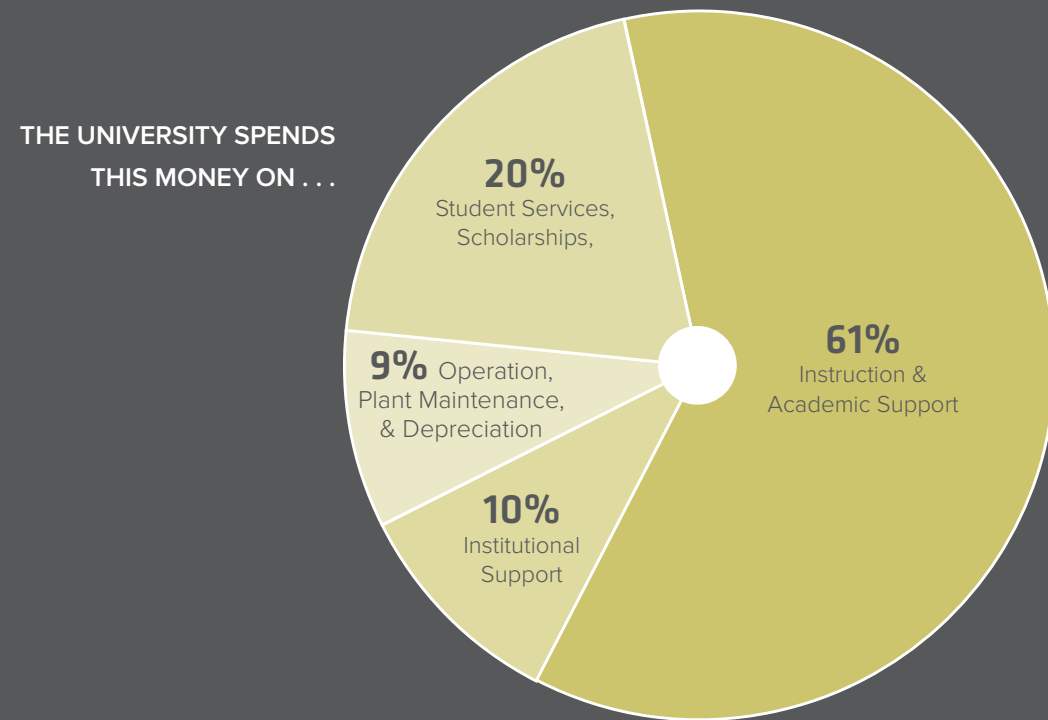
## INVESTING IN THE FUTURE: WHERE DO YOUR CSU TUITION DOLLARS GO?

Your tuition check: More than 80 percent of the cost of a Colorado State University education goes into academics, student services, and scholarships. (The chart below focuses ONLY on revenues generated by student enrollments, NOT CSU's total revenue budget. As a result, the percentages in this chart differ from totals listed elsewhere in this report.)

YOUR FY2018-2019 TUITION CHECK      STATE TAX SUPPORT (COF)      THE TOTAL CSU RECEIVES

**\$9,426**      +      **\$2,550**      =      **\$11,976**

per year      at \$85 per credit hour      from tuition and the state to educate one student for one year



### STUDENT FEES SUPPORT GOES 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.

<b>\$1,733</b> GENERAL FEES	Pays for student activities (concerts, lectures, movies); Student Recreation Center; Lory Student Center; CSU Health Network; athletics; veterans' programs; student government; Transfort; counseling; and more.
<b>\$50</b> UNIVERSITY TECH FEE	Funds campus computer labs, library computing, and other technology services.
<b>\$623</b> 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 FY18-19 Education and General Budget data. This is a subset of CSU Education and General Budget, from E&G Budget Data Book Expenditures by NACUBO Code.

## CSU COSTS ARE COMPARABLE TO PEER UNIVERSITIES

### TUITION, FEES, ROOM, AND BOARD, BASED ON 12 CREDIT HOURS PER TERM

INSTITUTION	TUITION RESIDENT	NON-RESIDENT	FEES	ROOM AND BOARD †	TOTAL RESIDENT	TOTAL NON-RESIDENT
University of Illinois, Urbana	\$12,036	\$28,606	\$3,968	\$11,308	<b>\$27,312</b>	<b>\$43,882</b>
Michigan State University	\$11,568	\$31,812	\$67	\$10,872	<b>\$22,507</b>	<b>\$42,751</b>
U.C. Davis*	\$11,442	\$40,434	\$2,960	\$16,211	<b>\$30,614</b>	<b>\$59,606</b>
Virginia Tech	\$11,420	\$29,104	\$2,200	\$9,070	<b>\$22,690</b>	<b>\$40,978</b>
University of Tennessee	\$11,110	\$29,300	\$1,896	\$10,450	<b>\$23,456</b>	<b>\$41,761</b>
University of Colorado	\$10,728	\$35,482	\$2,036	\$14,418	<b>\$27,182</b>	<b>\$51,936</b>
Washington State University	\$10,268	\$24,504	\$1,313	\$10,944	<b>\$22,525</b>	<b>\$36,761</b>
Texas A&M University	\$10,252	\$36,422	\$0	\$10,436	<b>\$20,688</b>	<b>\$46,878</b>
<b>Peer Average</b>	<b>\$9,536</b>	<b>\$28,293</b>	<b>\$1,759</b>	<b>\$11,237</b>	<b>\$22,533</b>	<b>\$41,343</b>
<b>Colorado State University</b>	<b>\$9,426</b>	<b>\$27,327</b>	<b>\$2,406</b>	<b>\$11,964</b>	<b>\$23,796</b>	<b>\$41,697</b>
Purdue University	\$9,208	\$28,010	\$784	\$10,258	<b>\$20,250</b>	<b>\$39,052</b>
Iowa State University	\$7,740	\$22,144	\$1,248	\$10,795	<b>\$19,783</b>	<b>\$34,187</b>
Oregon State University*	\$7,608	\$22,893	\$1,776	\$12,195	<b>\$21,579</b>	<b>\$36,864</b>
Kansas State University	\$7,500	\$19,903	\$888	\$9,680	<b>\$18,068</b>	<b>\$30,471</b>
North Carolina State U.	\$6,535	\$25,878	\$2,566	\$10,555	<b>\$19,656</b>	<b>\$38,999</b>
Oklahoma State University	\$6,089	\$21,609	\$2,929	\$10,130	<b>\$19,148</b>	<b>\$34,669</b>

\*Trimester 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.

As recently as 2014, higher education accounted for

**9.4%** of the state budget.

In 2018-19 it was **8.8%**. That's below the national average of **18%**.

(U.S. Census, Survey of State and Local Government Finance).

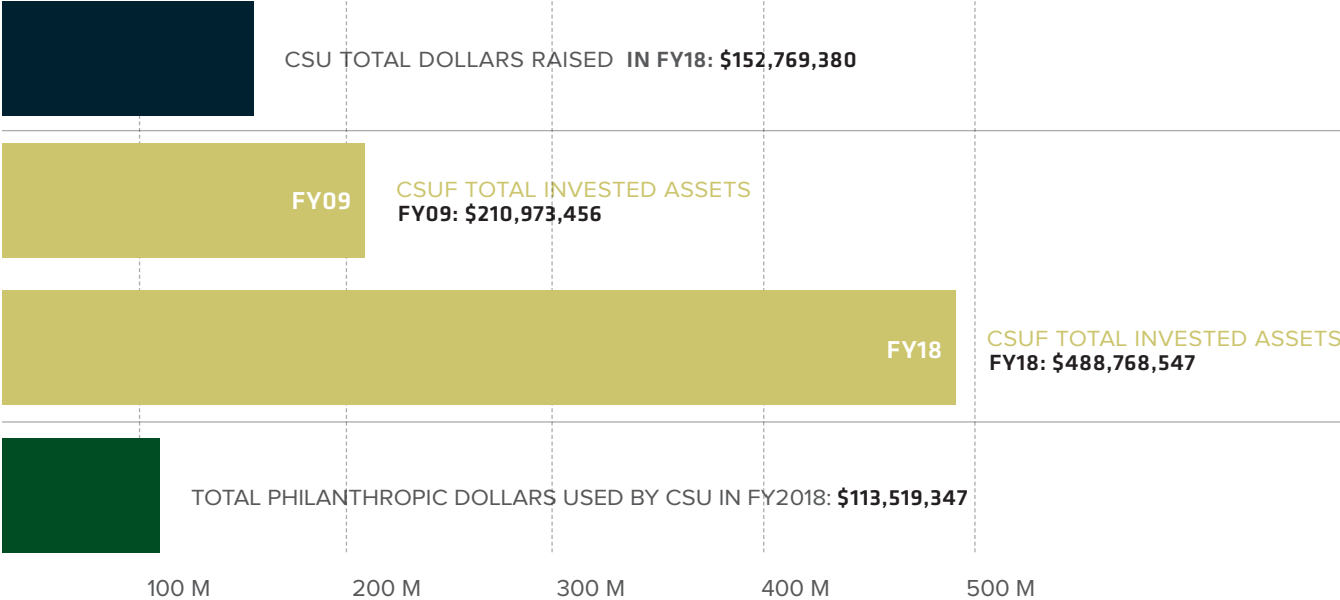


# A DECADE OF DONOR SUPPORT

## CSU SURPASSES GOALS IN PRIVATE FUNDRAISING

Over the last decade, CSU has met ambitious goals on two major comprehensive campaigns. Most recently, the University announced in Fall 2018 that it had topped its original \$1 billion goal in its ongoing State Your Purpose campaign, which will continue Beyond a Billion through its target closing date in 2020.

- Donors have established **500 new scholarship funds** at CSU since the current \$1 billion campaign launched in 2012.
- More than **106,000 individual donors** and more than **7,200 organizations** have contributed to the current campaign, including **179 gifts of \$1 million** or more.
- Donors in **FY18 funded more than 25 percent** of the cost of new construction and renovation projects on campus.
- Over the past decade, **donor and grant funds** have funded about **12 percent** of new construction and renovation at CSU.
- **CSU outpaces every other campus** in Colorado without a medical school when it comes to private fundraising.
- **Private support at CSU has exceeded CSU's funding allocation** from the state every year since 2012.





## CSU BUDGET PRIORITIZES TEACHING, RESEARCH, AND SERVICE TO COLORADO

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 and engagement to extend the University's educational and research capacity to areas of statewide need.

.....  
In FY2018, CSU earned nearly \$2 million in licensing revenue:

**36** licenses. **112** invention disclosures.  
**21** programs of research and scholarly excellence. **53** patents received.

## CSU MANAGES ITS BUDGETS TO PRIORITIZE TEACHING, RESEARCH, AND SERVICE TO COLORADO

### OPERATING AND NONOPERATING REVENUES

(amounts expressed in thousands)	2014*	2017*	2018
<b>Operating revenues</b>			
Student tuition and fees (net of scholarship allowance)	292,466	389,130	410,106
State COF tuition stipends	31,661	36,594	37,154
State fee for service contract	65,420	82,274	85,522
Grants and contracts	260,315	292,487	323,486
Sales and service of educational activities	33,871	40,986	42,724
Auxiliary enterprises (net of scholarship allowance)	133,329	165,386	182,883
Other operating revenue	6,335	6,564	7,157
<b>Total operating revenues</b>	<b>823,397</b>	<b>1,013,421</b>	<b>1,089,032</b>
<b>Nonoperating revenues</b>			
State appropriations	2,472	-	2,768
Gifts, capital gifts, and grants	66,514	59,243	136,680
Student facility fees (net of scholarship allowance)	8,248	12,405	12,529
Federal nonoperating grants and contracts	24,492	23,760	26,216
State capital contributions	1,823	28,890	59,351
Other nonoperating revenues (expenses)	9,484	5,908	(6,205)
<b>Total nonoperating revenues</b>	<b>113,033</b>	<b>130,206</b>	<b>231,339</b>
<b>Extraordinary items</b>			
Extraordinary items	-	-	-
<b>Total revenues</b>	<b>936,430</b>	<b>1,143,627</b>	<b>1,320,371</b>
<b>Total tuition and fees:</b>	<b>324,127</b>	<b>425,724</b>	<b>447,260</b>

\* Reclassified per review of Student Facility Fees to be more in line with other Institutions of Higher Education.

## Colorado State University spends its money on education, research, and service.

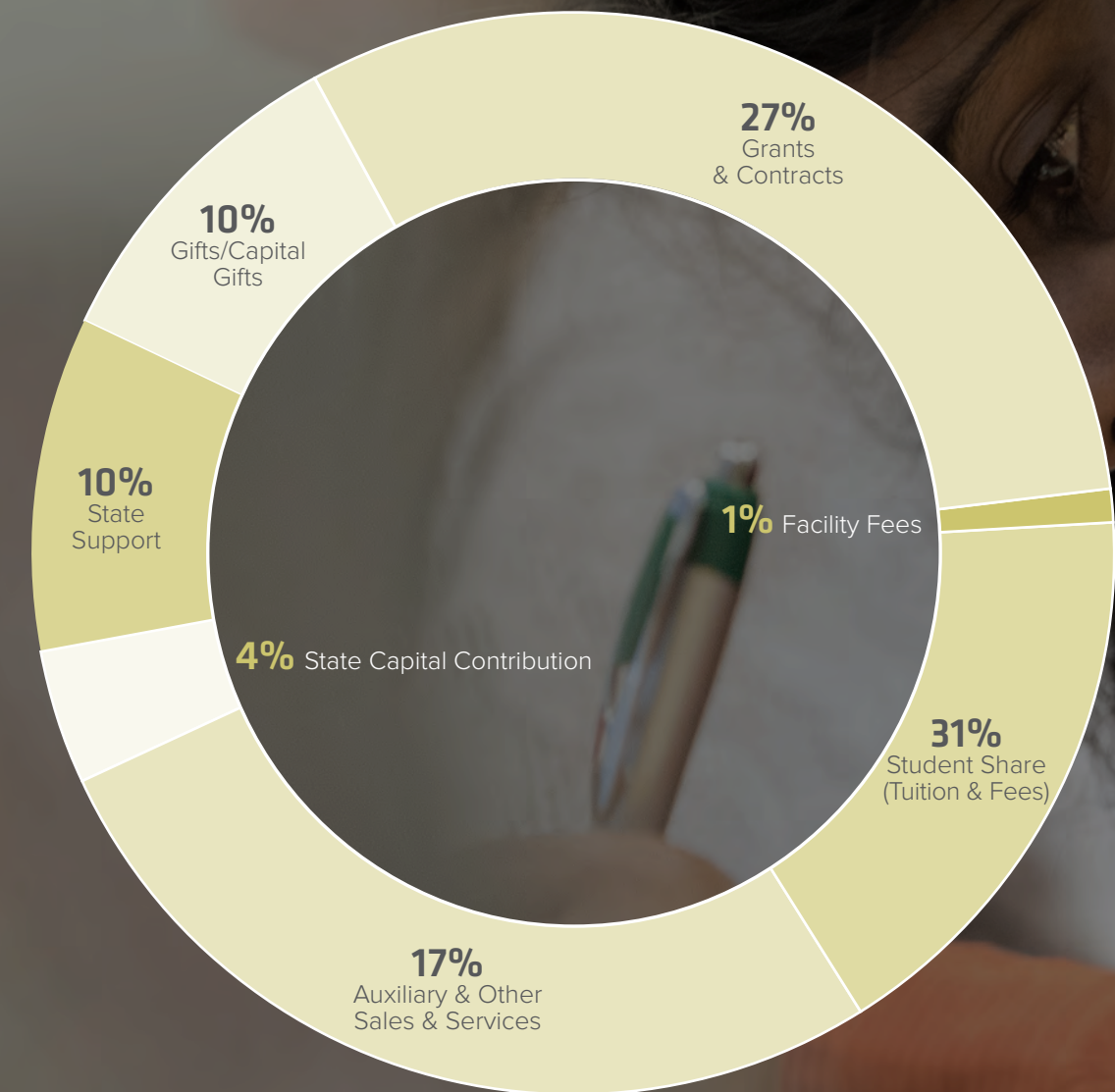
CSU support for administration accounts for only **4%** of our total expenditures. The average for all other Colorado public 4-year colleges and universities is more than **11%**.

## CSU REVENUE SOURCES

Colorado State University is fiscally responsible. Revenue is generated from several sources that support teaching, research, and outreach.

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

The total University budget (including research and donor funding) generates revenue that is directed in large part to a specific activity such as research projects or endowed chairs. These funds do not support the core teaching operations of the University. (The chart below addresses TOTAL CSU revenues, so the percentages differ from the chart on page 16, which only looks at revenues derived from enrollment.)



## CSU REVENUE BY AMOUNT AND PERCENTAGE

(amounts expressed in thousands)

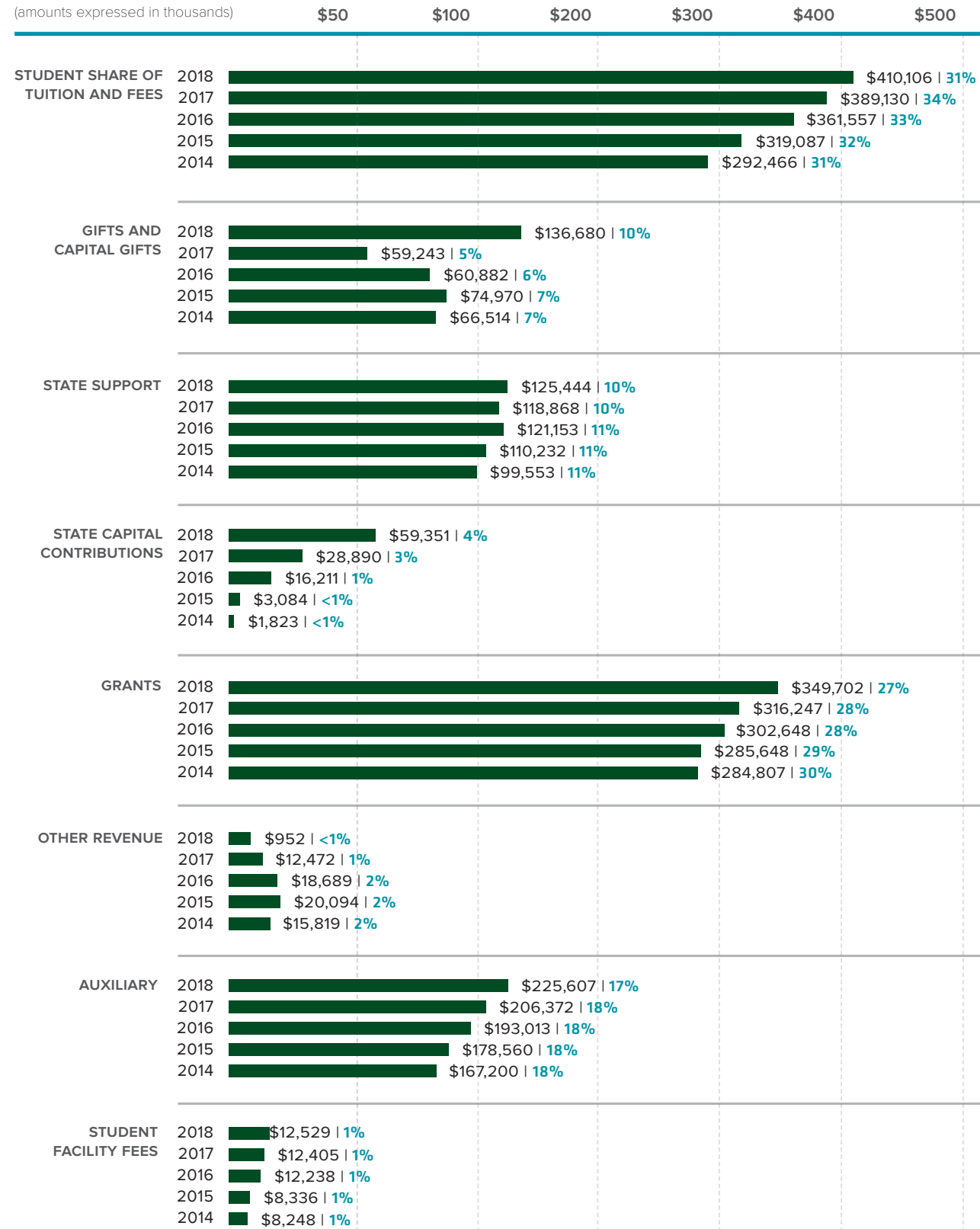
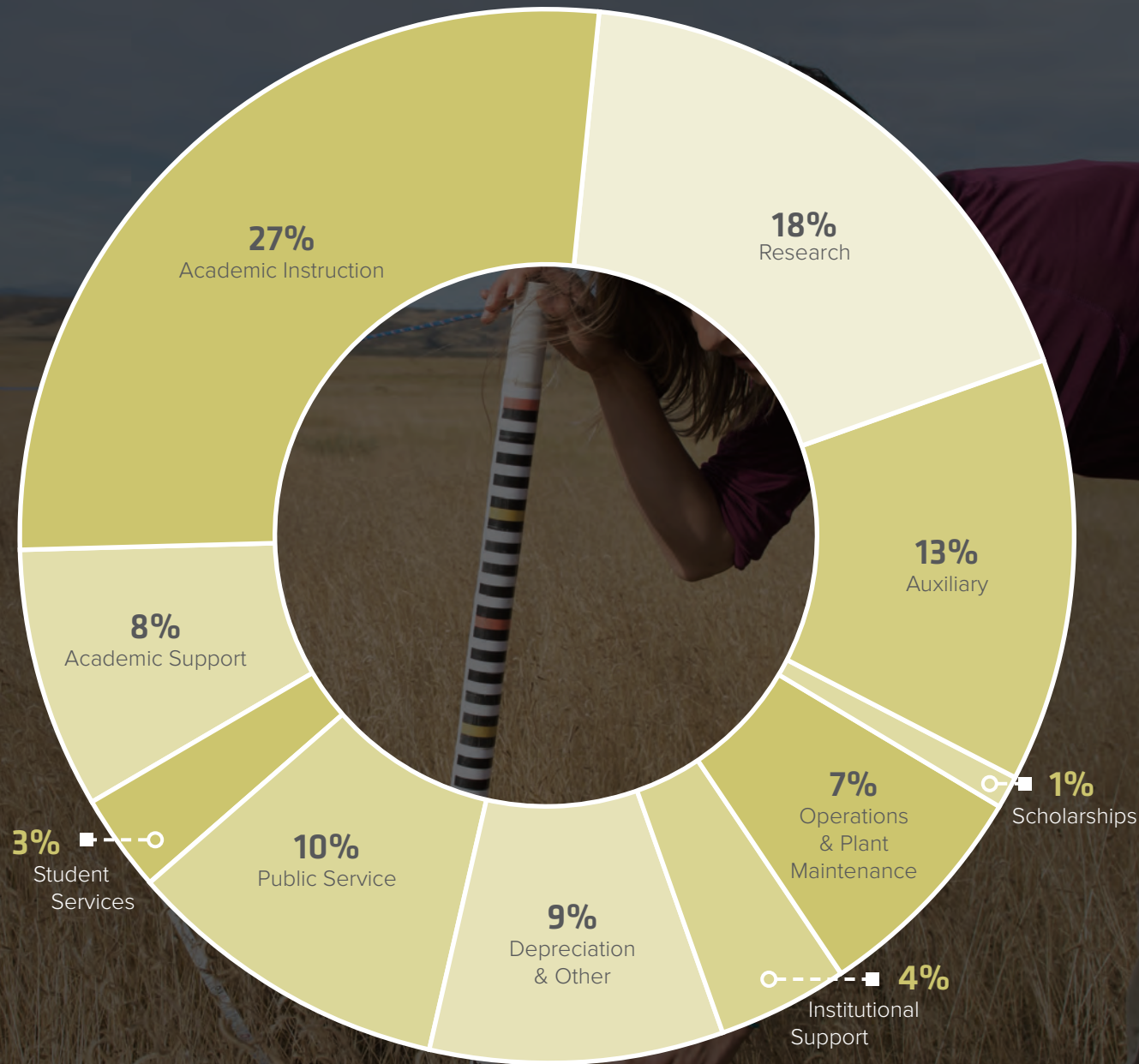


Photo by Joe A. Mendoza

## CSU SPENDING PRIORITIZES CORE MISSION AREAS



## CSU EXPENSES AND EXPENDITURES BY CATEGORY

### OPERATING EXPENSES

(amounts expressed in thousands)

	2014	2017	2018
<b>Operating expenses</b>			
Instruction	239,212	338,793	378,568
Research	181,971	230,685	246,346
Public service	82,703	118,783	143,454
Academic support	67,375	92,792	101,488
Student services	26,940	37,645	38,242
Institutional support	41,458	65,629	72,465
Operation and maintenance of plant	59,158	77,186	91,410
Scholarships and fellowships	9,812	12,338	15,043
Auxiliary enterprises	126,365	152,577	176,302
Depreciation	70,884	81,909	82,292
<b>Total operating expenses</b>	<b>905,878</b>	<b>1,208,337</b>	<b>1,345,610</b>

### EXPENDITURES BY CATEGORY, OPERATING AND NON-OPERATING

(amounts expressed in thousands)

	2014	2015	2016*	2017	2018
Instruction	239,212	261,240	280,646	338,793	378,568
Research	181,971	186,132	200,819	230,685	246,346
Public service	82,703	90,495	101,895	118,783	143,454
Academic support	67,375	71,354	76,908	92,792	101,488
Student services	26,940	29,482	31,478	37,645	38,242
Institutional support	41,458	45,299	48,347	65,629	72,465
Operation and maintenance of plant	59,158	67,844	65,927	77,186	91,410
Scholarships	9,812	9,952	10,835	12,338	15,043
Auxiliary	126,365	130,258	134,268	152,577	176,302
Depreciation and other	93,368	108,144	116,971	117,984	122,139
Unusual items	22,185	-	-	-	-
<b>Total</b>	<b>950,547</b>	<b>1,000,200</b>	<b>1,068,094</b>	<b>1,244,412</b>	<b>1,385,457</b>

\*As reclassified

## CSU INVESTS IN PEOPLE

THIS CHART IS A SUBSET OF TOTAL EXPENDITURES SHOWING HOW THE 53 PERCENT OF CSU'S BUDGET THAT IS DEDICATED TO SALARIES AND BENEFITS IS ALLOCATED.

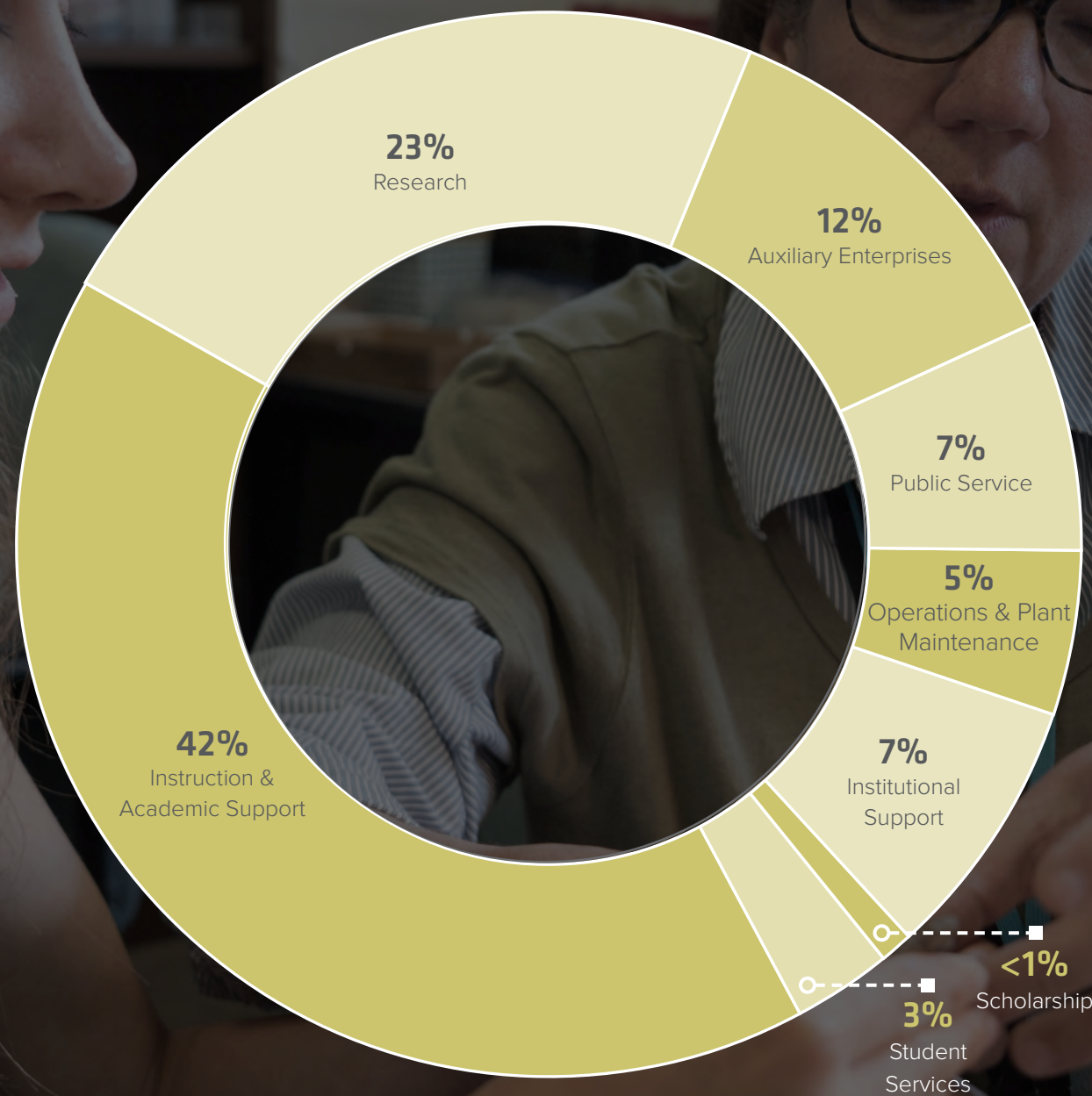


Photo by William A. Cotton

## SALARY EXPENSES MAKE UP THE GREATEST SHARE OF CSU'S COSTS

In 2018, 53 percent of CSU's total budget was dedicated to salaries and benefits for Colorado State's 7,500 employees.

Salary expenses make up the greatest share of CSU's costs because higher education is a labor-intensive business. High-performing people are central to Colorado State's success, so recruiting and retaining an exceptional workforce is a top University priority. This is a challenge when the cost of living in Fort Collins is 25 to 30 points higher than the national average (depending on the index).

To achieve long-term stability, over the past year Colorado State University has:

- Implemented a living wage increase in the fall of 2018 for its lowest-paid employees, assuring an annual income of \$30,000 as a baseline for salaried employees. Some 385 employees received raises.
- Continued to address affordable housing issues for employees by hiring a coordinator to assist faculty and staff in finding housing – while also exploring innovative partnership opportunities to create new attainable housing options.
- Addressed child care challenges for students and faculty with a proposed childcare center adjacent to campus to be operated through a public-private agreement with preference for CSU-affiliated families.

In addition to focusing resources on competitive salaries and benefits, the University implemented a Living Wage Initiative this year to ensure that all salaried CSU employees earn what is considered a living wage in Fort Collins and Northern Colorado (\$30,000 annually), based on the MIT Living Wage Calculator.

As a result, the University raised the salaries of 358 state classified personnel, 22 administrative professionals, and five academic faculty. To address unintended consequences such as salary compression, some employees with salaries near the targeted range also were increased. Employees who benefited from the increase include administrative assistants, custodians, dining services staff, animal care and laboratory support staff, research associates, and materials handlers. The largest individual increase was \$7,548 a year.

## Investing in quality; increasing efficiency

**53%** of CSU's total budget in 2018 was dedicated to salaries and benefits for Colorado State's **7,500** employees.

CSU added **8,430** students over the past 10 years but operated with **39** fewer employees in FY2018 than it did in FY2008.

## CSU ASSETS: PRESERVING, MAINTAINING, GROWING PUBLIC RESOURCES

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 provide a fiscal snapshot of the University as of the end of each fiscal year presented.

### CURRENT AND NONCURRENT ASSETS

(Amounts expressed in thousands)

	2014	2017	2018
<b>Current assets</b>			
Cash and cash equivalents	272,266	385,055	367,821
Student accounts receivable, net	21,916	28,230	28,485
Grants and other accounts receivable, net	49,325	60,409	90,055
Student loans receivable, net	2,416	2,996	3,190
Inventories	7,179	8,330	8,644
Prepaid expenses	11,201	7,184	7,604
<b>Total current assets</b>	<b>364,303</b>	<b>492,204</b>	<b>505,799</b>
<b>Noncurrent assets</b>			
Restricted cash and cash equivalents	181,182	89,134	40,388
Restricted investments	25,665	26,435	27,109
Student loans receivable, net	17,875	17,968	17,424
Interest rate swap agreement	-	-	654
Other noncurrent assets	11,512	13,677	653
Net OPEB assets, noncurrent	-	-	9,463
<b>Nondepreciable capital assets</b>			
Land	26,564	36,982	43,338
Construction in progress	162,156	383,369	170,869
Collections	2,354	5,291	5,460
<b>Total nondepreciable capital assets</b>	<b>191,074</b>	<b>425,642</b>	<b>219,667</b>
<b>Depreciable capital assets</b>			
Land improvements	27,011	36,480	42,964
Building and improvements	770,420	1,063,416	1,383,353
Leasehold improvements	3,602	239	184
Equipment	102,702	75,146	74,404
Library materials	6,614	4,521	4,125
<b>Total depreciable capital assets, (net of A/D)</b>	<b>910,349</b>	<b>1,179,802</b>	<b>1,505,030</b>
<b>Total noncurrent assets</b>	<b>1,337,657</b>	<b>1,752,658</b>	<b>1,820,388</b>
<b>Deferred outflows</b>			
Deferred outflows - debt refundings	28,777	30,636	53,663
Deferred outflows - pensions	-	285,366	203,714
Deferred outflows - OPEBS	-	-	3,092
<b>Total deferred outflows</b>	<b>28,777</b>	<b>316,002</b>	<b>260,469</b>
<b>Total assets and deferred outflows</b>	<b>1,730,737</b>	<b>2,560,864</b>	<b>2,586,656</b>

The property on which the University operates represents a significant asset to the state of Colorado. Preserving, maintaining, and growing these assets is CSU's obligation as a responsible steward of public resources.

### COLORADO STATE UNIVERSITY INCLUDES:

The **708**-acre Main Campus, which includes the **301**-acre South Campus encompassing the James L. Voss Veterinary Teaching Hospital and the Natural Resources Research Center

**1,439**-acre Foothills Campus

**1,065**-acre Agricultural Research, Development, and Education Center

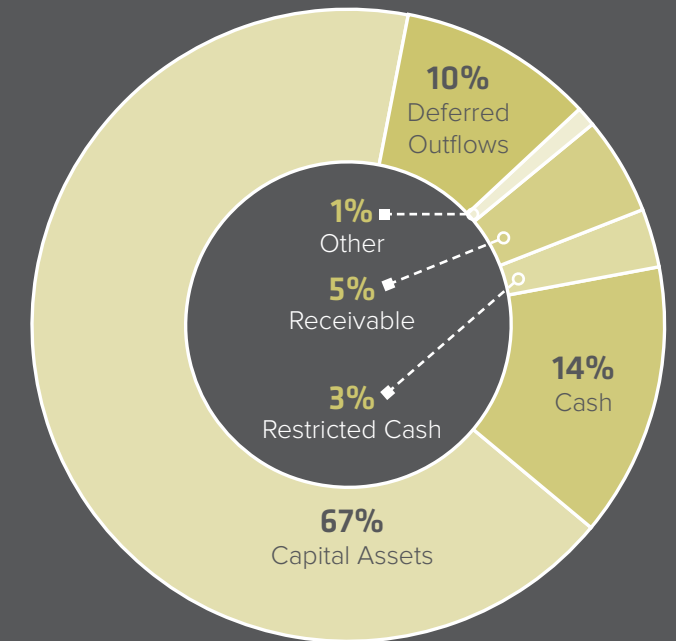
**1,200**-acre CSU Mountain Campus

**4,038** acres of land for research centers and Colorado State Forest Service stations outside of Larimer County.

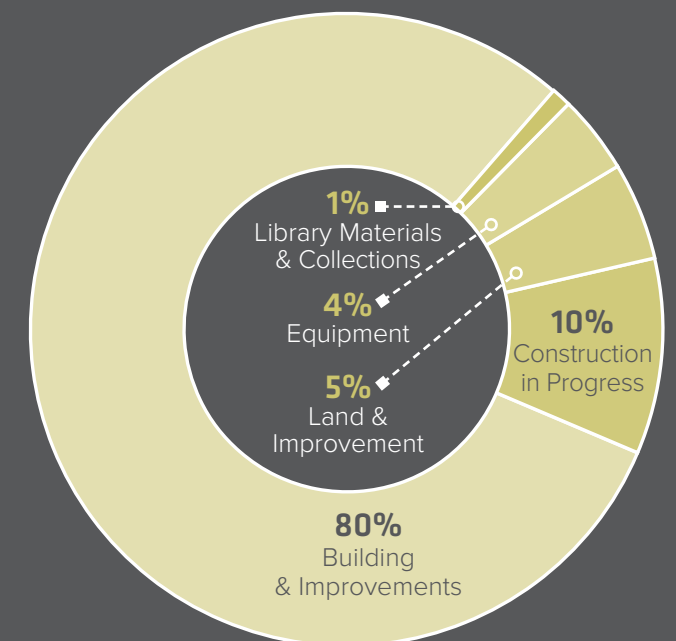
**2.7** million books, journals, documents, and electronic materials in Library holdings.

## A SNAPSHOT OF CSU ASSETS:

### FISCAL YEAR 2018 TOTAL ASSETS



### FISCAL YEAR 2018 CAPITAL ASSETS







## CSU OBLIGATIONS, LIABILITIES

(Amounts expressed in thousands)

	2014	2017	2018
<b>Current liabilities</b>			
Accounts payable	37,250	67,157	60,679
Accrued liabilities	64,813	67,477	28,597
Deferred revenue	31,501	34,932	40,777
Deposits held for others, current	5,570	6,483	6,471
Commercial paper	-	-	10,000
Bonds payable and certificates of participation, current	17,145	23,126	24,121
Capital leases payable, current	1,904	2,810	2,690
Other noncurrent liabilities, current	2,325	1,478	5,352
Compensated absences liabilities, current	2,256	2,785	3,074
<b>Total current liabilities</b>	<b>162,764</b>	<b>206,248</b>	<b>181,761</b>
<b>Noncurrent liabilities</b>			
Bonds payable and certificates of participation	694,532	1,076,420	1,070,582
Capital leases payable	6,022	14,952	16,837
Deposits held for others	26,386	19,382	19,382
Other noncurrent liabilities	4,317	5,602	12,982
Compensated absences liabilities	44,471	52,495	46,955
Net pension liability	-	913,850	998,052
Net OPEB liability	-	-	48,612
<b>Total noncurrent liabilities</b>	<b>775,728</b>	<b>2,082,701</b>	<b>2,213,402</b>
<b>Deferred inflows of resources</b>			
Deferred inflows-other	-	442	674
Deferred inflows-pensions	-	10,204	39,898
Deferred inflows-OPEBs	-	-	1,903
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>10,646</b>	<b>42,475</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>938,492</b>	<b>2,299,595</b>	<b>2,437,638</b>
<b>Net position</b>	<b>792,245</b>	<b>261,269</b>	<b>149,018</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>1,730,737</b>	<b>2,560,864</b>	<b>2,586,656</b>

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 page 31, which are critical to support our land-grant mission of teaching and learning, research and discovery, and outreach and public service.

## BALANCING CSU'S BOOKS: RESPONSIBLE STEWARDSHIP

### CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

(amounts expressed in thousands)	2014*	2017*	2018
Operating revenues	823,397	1,013,421	1,089,032
Operating expenses	905,878	1,208,337	1,345,610
<b>Operating loss</b>	<b>(82,481)</b>	<b>(194,916)</b>	<b>(256,578)</b>
Nonoperating revenues (net of expenses)	55,786	44,770	64,713
<b>Loss before other revenues (net of expenses)</b>	<b>(26,695)</b>	<b>(150,146)</b>	<b>(191,865)</b>
Other revenues	34,763	49,361	126,779
Special items	(22,185)	-	-
Extraordinary items	-	-	-
<b>Decrease in net position</b>	<b>(14,117)</b>	<b>(100,785)</b>	<b>(65,086)</b>
Net position, beginning of year	809,605	362,054	261,269
Change in accounting principle	(3,243)	-	(47,165)
<b>Net position, end of year</b>	<b>792,245</b>	<b>261,269</b>	<b>149,018</b>

\*Reclassified per review of the scholarship allowance program

### CONDENSED STATEMENT OF NET POSITION

(amounts expressed in thousands)	2014	2017	2018
Current assets	364,303	492,204	505,799
Noncurrent assets	1,333,657	1,752,658	1,820,388
Deferred outflows	28,777	316,002	260,469
<b>Total assets</b>	<b>1,730,737</b>	<b>2,560,864</b>	<b>2,586,656</b>
Current liabilities	162,764	206,248	181,761
Noncurrent liabilities	775,728	2,082,701	2,213,402
Deferred inflows	-	10,646	42,475
<b>Total liabilities</b>	<b>938,492</b>	<b>2,299,595</b>	<b>2,437,638</b>
<b>Net position</b>	<b>792,245</b>	<b>261,269</b>	<b>149,018</b>

## CSU BUDGETING AND PLANNING PROCESS

Colorado State University is committed to an open, public, campuswide planning and budgeting process.

1. CSU publishes a budget rough draft to give to the Board of Governors and the president for campus review and discussion.
2. The campus and community have several opportunities to provide input into both the draft budget and the preparation of final budgets in the winter and spring.
3. As subsequent draft budgets are developed and updated, they are linked to University planning priorities.
4. The Colorado General Assembly and the Office of the Governor work together throughout each spring to finalize state budgets and appropriations, which determine the level of state funding and tuition that will come to each campus.

Draft budgets and related communications are available at <https://president.colostate.edu/budget-updates/>

## A Decade of Success: highlights of the last 10 years

**\$1.5** billion in infrastructure improvements

**337%** increase in financial aid

**22%** increase in enrollment

**99%** increase in diverse student enrollment

**11%** increase in graduation rates

Over **\$1.3** billion in donations raised, exceeding goals on two major fundraising campaigns

**14%** increase in full-time undergraduate enrollment

CSU consistently ranks as the most sustainable university in the country

CSU consistently ranks among the best universities for student-veterans



**COLORADO STATE UNIVERSITY**