

## **Finance, Performance, and Accountability Committee Meeting**

**August 18, 2023**

### **Meeting Minutes**

**Call to Order** – Commissioner Eric Tucker, Chair of FPA Committee, called the meeting to order.

**Approve July Meeting Minutes** – Commissioner Steve Myer motioned to approve the July meeting minutes. Commissioner Kostenbauer seconded. July meeting minutes approved.

#### **Recommend Approval of Two-Year Cash List Consent Agenda Items**

Kennedy Evans—Lead Finance Analyst—reviewed cash-list capital items that will be on the consent agenda at the Colorado Commission of Higher Education (CCHE) September meeting. These agenda items were for the University of Northern Colorado and Colorado School of Mines. Members of the Committee were informed that due to the timing of submission of materials for these cash-list items, full documentation was not available yet, but would be available as part of the September Commission meeting packet next month.

#### **FY2024-25 Capital Construction/Renewal/IT Project Overview**

Kennedy Evans—Lead Finance Analyst—reviewed the Department’s final prioritized list of capital construction, renewal, and IT capital projects, including institutional submissions, rubrics, initial prioritization, and final prioritization after appeals were considered. Commissioner Kostenbauer asked why an institution without a change in score would have a change in position from the initial to the final list. Department staff explained that changes in scores to other projects due to appeals could increase the scores for those projects and move the revised project up in the ranking, resulting in the project without a score change moving down the prioritized list. Commissioners asked specific questions about the influence of cash funding on ranking and how multi-year phased projects report cash funding. Department staff provided an overview of the role of OSPB, CDC, and JBC in the capital approval process. Lead Finance Analyst Evans discussed the appeals process and its effect on the prioritized project list. Commissioner Harber made a motion to approve the prioritized capital projects list. Commissioner Kostenbauer seconded the motion. The Committee approved the request and recommended forwarding the agenda item to the full Commission for review and approval at the September meeting.

#### **Discussion of Funding Formula Recommendations**

Lauren Gilliland—Deputy Chief Financial Officer and Budget Director—presented information about the Commission’s rights and responsibilities regarding the funding recommendation for public institutions of higher education, focusing specifically on the three steps in the funding formula process. The Commission can utilize Step 1 (for base building) or Step 3 (for one-time investment) of the funding formula to direct funding to specific priorities. Information on the responsibilities included in Colorado state statute were also shared. Department staff also discussed the Commission’s rights to change weights in Step 2 of the funding formula and identify an overall funding level. Dr. Paccione discussed the possibility of using one-time investment through Step 3 to focus on the Governor’s priorities. Commissioner Tucker raised the possibility of a working group to investigate funding options.

**Adjourn** – After providing an opportunity for public comment and receiving none, Commissioner Tucker adjourned the meeting.