

Minutes for the July 14th, 2023 Finance, Performance and Accountability Committee Meeting

Call to Order -- Commissioner Eric Tucker, Chair, called the meeting to order.

Approve May Meeting Minutes

Recommend Approval of Two-Year Cash List for Colorado State University

Kennedy Evans, Lead Finance Analyst, reviewed a cash-list revision for Colorado State University. CSU brought forth three cash projects that were originally approved pre-pandemic, and needed to be reapproved due to inflationary costs. The committee approved the request and recommended forwarding to the full commission.

Preliminary Capital Construction/Renewal/IT Overview

Kennedy Evans, Lead Finance Analyst, reviewed the preliminary capital construction, renewal, and IT project submissions, rubrics, and initial prioritization list. Questions around the most commonly missed rubric section, the top few submissions, and how the appeals process would go came up. The commission was notified of the rest of the process timeline and was told that further discussion would be had in the August FPA meeting.

Core Minimum Cost Conversation

Lauren Gililland, Budget Director and Deputy CFO, walked commissioners through core minimum cost calculations. Core minimum costs can be interpreted as the increase in expenditures it would take to maintain current base operations at Colorado's public institutions of higher education. Increases are based on three factors, salary raises, the increased cost of benefits, and general inflation. Institutions often argue that they can cover these increased costs using two primary mechanisms, increased funding from the state, or increases in tuition. Of course, smaller revenue streams and enrollment also play roles.

Funding Formula Review Timeline

Lauren Gilliland, Budget Director and Deputy CFO, reviewed the statutory timeline for a new funding formula recommendation. Crystal Collins, CFO, and Commissioners shared thoughts about what that meant for the timing of the review process.