

**FINANCE COMMITTEE
TRUSTEES OF METROPOLITAN STATE COLLEGE OF DENVER**

**Wednesday, January 23, 2008
3:00 – 5:00 p.m.
Administration Building, Room 570/575
Auraria Campus**

I. CALL TO ORDER

Trustee Martinez called the Finance Committee meeting to order at approximately 3:00 p.m.

Present: Trustee Mark Martinez; Trustee Ellen Robinson; Trustee Antonio Esquibel; Vice President for Administration and Finance, Natalie Lutes; Internal Auditor, Steve Gonzales; Associate Vice President for Administration and Controller, George Middlemist; Director of Accounting Services, Liza Larson; and Budget Director, Stephanie Moran.

APPROVAL OF MINUTES

A motion was made to approve the minutes from the November 28, 2007 Trustee Finance Committee meeting. The motion was seconded and approved.

II. DISCUSSION ITEMS

A. Space Updates

- **Metro Master Plan**

Metro State issued two RFPs in December. The first, for architectural services, was successful and the college contracted with StudioInsite/Sasaki. The initial meeting with StudioInsite to identify the scope of work is scheduled for January 30. A cost estimate will be developed following this meeting. The second RFP, for financial services, was not successful. The college received only one bid and the vendor was not prepared to provide the requested services. Staff is in the process of rewriting the RFP and plans on posting this revised RFP in the near future.

- **Memorandum of Understanding**

The Memorandum of Understanding that was designed to dictate how the Auraria institutions will work together on the Master Plan was approved at the Auraria Board meeting. The Master Plan has three key areas for mixed use, individual neighborhoods, and the general area. An example of specific guidelines is that there will be no ground lease costs associated with academic facilities. We are also changing legislation for both Auraria and Metro that will allow us to proceed.

- **Legislation**

The legislation changes will give Metro the authority to secure building bonds. The proposed wording of the legislation was approved at the Auraria Board meeting and has been sent forward to be put in bill format.

- **AHEC Master Plan**

We are working closely with AHEC due to the limited time, 1 year, to have a softball field in place, to avoid issues of noncompliance with the NCAA. Next week we will be meeting with the key areas affected by the location of the softball fields to see how we can reconfigure the plans and meet some of the challenges.

- **Science Building**

The Auraria lobbyist believes we will receive \$25 million of our FY09 need for the Science Building, leaving another \$25 million unfunded. Staff is working on a model that incorporates assignable square feet and the cost associated to distribute the unfunded costs of the building between the three institutions. One challenge is how the three separate entities bond on the same building. We are asking AHEC to bring forward suggestions on the process. Financing the Science Building could hamper our progress on building our neighborhood.

- **Hotel**

The college approved the Hotel Program Plan consultant contract today. The hotel portion is currently estimated at \$36 million. They are looking at 150 - 200 hotel rooms with additional conference rooms. Staff will keep the Trustees apprised of the progress on the hotel.

B. Update State Funding Models

Due to the complexity of the NCHEMS study, the CEOs agreed to a proportionate distribution of funds for an additional year. CDHE's new funding model proposal was presented to the CEOs this morning, which proposed to distribute 7.7% equally to each institution plus tobacco funding to the Health Sciences Center. Although this seems straight forward and reasonable on the surface, it does not move all institutions equally toward closing the gap. The commission is putting together a technical group that will look at how we can advance the NCHEMS ideal distribution next year. Natalie has volunteered to be on this technical committee.

C. Trustee Educational Opportunities

A preliminary proposal for professional development for Trustees to attend conferences was discussed. Staff was requested to gather additional information on potential funding sources and costs of attendance for the next meeting.

D. Peers Update

The additional analysis that Trustee Phelan had requested on the peer information is almost complete and will be brought to the next Finance Committee meeting.

E. Unaudited Financial Statements as of December 31, 2007

The unaudited financial statements were reviewed. There were no significant areas of note, however the information regarding Perkins loans was addressed since there has been some news in the media about Perkins loans and staff wanted to address any concerns.

F. Internal Audit Update

The Internal Auditor, Steve Gonzales, gave an update on the status of his Audit Plan.

G. Other

Trustee Phelan has requested that the Board review the liability insurance coverage it has for its members. She would like to look into what other schools and boards are doing. Metro staff believes what we currently have is sufficient, but more evaluation will take place and the information will be brought to the Finance Committee in March.

III. ADJOURNMENT

At approximately 5:00 p.m. a motion was made and seconded to adjourn the Finance Committee Meeting. The motion passed unanimously