
**METROPOLITAN STATE UNIVERSITY of DENVER
BOARD OF TRUSTEES**

Finance Committee Meeting
Thursday, March 7, 2024, 2:00 p.m. – 3:25 p.m.
Jordan Student Success Building,
890 Auraria Pkwy., Room 400

Board of Trustees Present:

Chairman Russell Noles, Trustee Albus Brooks, Trustee Emily Garnett, Trustee Kristin Hultquist, Trustee Jerry Glick, Faculty Trustee Ann Oberman

MSU Denver Personnel Present:

Janine Davidson, President; Dr. Laura Niesen de Abruña, Provost and Vice President for Academic and Student Affairs; Will Simpkins, Vice President for Student Affairs; Christine Márquez-Hudson, VP University Advancement & MSU Denver Foundation; Edward Brown, Chief of Staff; Jim Carpenter, CFO/Associate Vice President of Administration; Larry Sampler, COO/Vice President of Administration; and other various staff members.

I. CALL TO ORDER:

The meeting was called to order at 1:46 p.m. by Chairman Russell Noles.

II. APPROVAL OF MINUTES:

A. Approval of January 18, 2024, Finance Committee Meeting Minutes

A **motion** was made by Trustee Glick to approve the January 18, 2024, Finance Committee meeting minutes, and was seconded by Trustee Hulquist. The motion was **unanimously approved**.

III. INFORMATION & DISCUSSION ITEMS

A. Campaign & FY23 Fundraising Updates – Christine Márquez-Hudson, VP University Advancement & MSU Denver Foundation

- Celebrating a historic gift, the biggest ever received, from Tina and Frank Day for the Health Institute. Naming the Health Institute after them on March 13.
- The Anschutz Foundation made their fifth \$300,000 investment in the Behavioral Health program, we were invited to apply for a capital grant for the Health Institute.
- Working with Jeff Newcomer and Jeff Forrest in the Aviation program to secure a Gamebird, an aerobatic airplane.
- Received a three-year \$300,000 government grant from the Colorado Housing and Finance Authority for the Affordable Housing Institute.
- Former Trustees Albus Brooks and Dawn Burkhardt, current Chair of the Foundation Board co-hosted a special event program from the School of Education, \$46,000 raised.
- As of February 21, \$16.6 million for the current fiscal year translating to 59.1 million overall in the campaign.
- The Classroom to Career Hub is focus now, need to raise 7.3 million by next summer.
- Working closely with steering committee leadership of the campaign to identify additional prospects with focus over the next several months.
- The Health Institute is at 12 and a half million thanks to the Day gift, 5 or 6 million in the pipeline.

B. Enrollment Update – Long Huynh, Chief Enrollment Officer

- Spring '24 enrollment remains positive through census. First academic year with growth in new and returning undergraduate students' enrollment and growth in overall graduate enrollment in 13 years.

- Accepted and enrolled 3% and 5% more students compared to same time last year. 54% growth in Asian students' enrollment. 3% growth multiracial students, 14% growth in African American students, 3% growth Latin X students' and 1% growth in white students.
- Full FTE, 2.1% up compared to the same time last year, 4.5% up in headcount.
- Improved over four percent points in retention Spring to Spring, Fall to Spring from all student terms. Returning student enrollment for graduates, 5.4% increase in full-year FTEs and 2.3% increase in headcount.
- Processing all new students' applications and documents within the same day.

C. Budget Process and Overview of FY25 Budget Context – *Jim Carpenter, AVP/CFO, Andrew Rauch, Budget Director/Deputy CFO*

- Depending on the level of state funding and tuition limits set in the state budget, additional funding is projected to be between \$4.5 million and \$12.1 million, with additional base core costs currently estimated at \$10.7 million.
- Several factors will need to be considered in setting the budget at the June meeting, including the enrollment impacts of the FAFSA delay, shifting enrollment projections, impacts of capital projects and others.
- The budget that will be brought to the Board in June will need to respond to budget pressures such as the findings of the compensation equity study, incorporating roughly \$2 million of on-going HEERF lost revenue expenditures into the budget, increased benefit costs and advancing strategic initiatives.

D. Proposed Finance Committee Dashboard - *Jim Carpenter, Chief Financial Officer, Liza Larsen, Controller/Deputy CFO, and Andrew Rauch, Budget Director/Deputy CFO*

- Fund balance, important to track progress towards the goal of fund balance reaching 15% of the annual operating expenditures in the E&G or general fund.
- A policy is in place to track towards 15% of operating expenditures. In the budget this year holding flat on our fund balance.
- Cash balances are in a healthy cash position to be able to meet obligations.
- Personnel continue to work through providing that on a time series basis. Have much of the personnel reporting and FTE reporting through Workday.
- Debt service coverage, an area to focus on because the debt service coverage is below one. The total dollars in the student bond fee are less than the total debt obligations and have significant debt falling off in the next three years.
- Budget to actuals broken out by branch is a little ahead halfway through the year, 51% of spend. A lot of expenditure that come in early in the year, in the first six months.
- Need to take to the next level in terms of data, operating revenue on a year-to-year basis. Will continue to refine the budget projections.
- Trustees provided guidance about increasing the frequency of reporting to quarterly, adding additional contextual elements, providing variance calculations and adding narratives to dashboard elements.
- These will be incorporated into the next iteration of the dashboards that will be brought to the Board of Trustees in June.

E. Review of C2 Hub Purchase and Sale Agreement Terms Sheet - *James Mejia, Chief Strategy Officer*

- Status of the project: 15.6 million construction costs, 3 million for furniture, fixtures and equipment. In the design development phase.

- Financing and funding the first project pursuit agreement at the end of last year through the Foundation. The second agreement would be a payment of \$600,000 to stay in the construction timeline for the project.
- By financial closing, will be expected to pay 30 to 40% of the total project costs less than what already paid on the first two project pursuit agreements.
- Completion projected for September of 2025, would pay the balance of the cost of the building.
- Unprecedented success at the state level, \$9 million request is down to 6 million.

IV. INFORMATION ITEMS (WRITTEN ONLY)

A. FY2023-24 Second Quarter Financial Statement

V. ADJOURNMENT

A **motion** was made by Trustee Noles to adjourn at 3:25 p.m.