



UNIVERSITY OF
**NORTHERN
COLORADO**

Board of Trustees

Regular Meeting of the Finance and Audit Committee

December 11, 2025

10:30 a.m. to 1:30 p.m.

Campus Commons, Multipurpose Hall

Greeley, Colorado

MINUTES

Trustees Present: Greg Anton (chair), Dick Monfort, Maia Babbs, Brenda Campos-Spitze, Fritz Fischer, Steve Jordan, Annette Martinez

Trustees Absent: Prateek Dutta, Audra Yocum

University Staff Present: Andy Feinstein, Darren Dunn, Tamra English, Kirsty Fleming, Keith Humphrey, Pete Lien, Leila McCamey, Jennifer McDuffie, Harmony Newman, Dale Pratt, Lori Riley, Allie Steg Haskett

I. Call to Order / Roll / Approval of Agenda

Finance and Audit Committee Chair Greg Anton called the meeting to order at 10:30 a.m. General Counsel Tamra English noted the roll.

The agenda was approved unanimously by all Board members in attendance.

II. Welcome and Update

Feinstein began by outlining agenda items to include FY2025 audit reports, preliminary financial statements, FY2024 annual debt management report and composite financial index (CFI), FY2026 Q1 forecast, overall financial drivers and outlook for FY2027, and enrollment updates. He noted there will be a joint UNC Board of Trustees and Foundation Board of Directors meeting following the Finance & Audit Committee meeting and the Regular Board of Trustees meeting will occur on Friday. Feinstein noted that he continues to strengthen the relationship with the Joint Budget Committee, state legislators, and local community leaders and will represent UNC at the upcoming Capital Development Committee hearing to present a funding request for McKee Hall. He also noted that UNC lobbyist Kayla Tibbals will provide a legislative update at the regular meeting of the Board of Trustees. Additionally, Feinstein noted that leadership continues to review strategic priorities and scenarios to ensure responsible resource management and that additional short and long-term budget measures will be shared by Vice President Dale Pratt.

III. Discussion Items

A. FY25 Audits and Preliminary Financial Statements

Vice President Dale Pratt invited Assistant Vice President Leila McCamey to report on the preliminary FY2025 audit report and financial statements.

McCamey noted that the current financial audit is being conducted by Crowe, LLP and will be finalized by the Office of the State Auditor in January 2026. She also noted that Crowe, LLP will join the February Board meeting to present the final findings. She outlined key financial highlights to include June 30 cash balances, capital assets, accounts payable changes, compensated absences, salary increases, fringe benefit increases, health insurance increases, gain on disposal of assets for the sale of university property, and variances related to the College of Osteopathic Medicine escrow. McCamey also outlined the recent Public Employee Retirement Association (PERA) audit findings, recommendations, and how the findings were reconciled, and noted the last PERA audit was in 2016.

Pratt reviewed the current operating budget, highlighting the variances and changes to the budget position. He noted variances from third quarter results to the fourth quarter results that impacted the operating budget to include Fee for Service (FFS) payments from State of Colorado received in July versus June 2025, retirement contributions, PERA audit changes, decreases in turnover affecting vacancy savings, student wages, and cost of sales, supplies, and utilities.

Discussion included the net position on balance sheet factoring the COM escrow adjustment, clarification of unused annual leave and sick leave processes, clarification of an increase in subscriptions, clarification of PERA audit previous findings, updates, and next steps, FY2025 updates in revenue and expenses, and factors affecting the decrease in cash balance.

B. FY25 Annual Debt Management Report and Composite Financial Index

McCamey reviewed the current debt portfolio and debt services requirements and stated that the FY2025 debt activity resulted in a total debt outstanding on June 30, 2025, of \$131M with the changes resulting in a \$5.7M overall decrease in debt. She noted there were no new financing or bond issuances added. There were some changes in payable subscriptions and leases but no changes in current lease agreements or current software agreement terms. McCamey also outlined the current Moody rating ratios for the university (stable) and the Composite Financial Index (CFI) metrics and factors that affect the overall index and noted that UNC's CFI is healthy.

Discussion included clarification of the financing structure for the Arlington Park FY2024 roof project, clarification of an increase in subscription costs, clarification of Moody's ratings, and changes in the outstanding debt information.

C. Strategic Enrollment Management

Associate Vice President for Enrollment Management Pete Lien outlined the fall 2025 enrollment highlights, fall enrollment census, point-in-time updates and changes from previous projections, new first time (NFT), transfer, graduate student data, and NFT fall-to-fall retention. He outlined priorities, modeling, future enrollment projections and initiatives. Lien also outlined 4-year graduation rates increases and noted that fall-to-fall retention continues to trend upward.

Lien also provided updates on pricing variances for the high school students enrolled in the Teacher Recruitment Education and Preparation (TREP) program and data for those students who enroll at UNC as full-time degree-seeking students. He noted that TREP is a 2-year program.

Lien outlined the Strategic Enrollment Management (RE)Design for Belonging plan to include what is in process and what is proposed. He gave examples of projects in progress to include refining District 6 direct admissions, direct admissions partnerships, early financial aid awarding, earlier course registration, student centered scheduling, diversified degree programs and modalities, and increases in campus-wide recruitment support. Proposed projects include western welcome tuition program, Slate audit for graduate communications, Community College of Aurora partnership, and Laramie County Community College 2+2 partnership.

Discussion included additional TREP statistics, funding, and length of program, high school students taking UNC courses that are not in the TREP program, factors for NFT and graduate enrollment decline, recruitment competition in Colorado, financial aid awarding incentives, UNC discounting, merit-based awards, use of scholarship dollars, extensive and enhanced coordination with high school counselors, expanding partnerships beyond current high schools and community colleges, enhancing partnership with athletics in recruitment visits, adjusting recruitment timelines and expanding recruitment beyond current parameters, using the College of Osteopathic Medicine as a recruitment tool, the efficacy of current indicators and projections in the forecasting process, the importance of reporting realistic projections, what strategic investments are needed in enrollment recruitment, creation of an updated strategic investment plan for recruitment, and extensive enhanced market analysis to guide planning. The Board agreed that there

should be an organized plan for enrollment strategies and asked for a strategic investment proposal for Board review to ensure consistency, funding approvals, and coordination in plan development and investment.

D. FY26 Q1 Forecast

Pratt presented the forecast for the first quarter of the current fiscal year outlining the current operating budget data and reviewed cash balances, budget reductions and adjustments, reserves, expenses, net enrollment revenue, retention rates, the overall operating budget factors that affect the cash balance. He noted that the forecast does not include the net effect of the \$3.7M for the recent layoffs and an increased adjusted amount with future overall personnel changes of approximately \$6M total will be reflected in the updated operating budget.

Pratt outlined adjustments and transfers of reserves, net operating shortfall, and the net operating cash impact. He also noted changes in other revenue and expenses categories, activities affecting operations, estimated savings from mid-year budget reductions extending into FY2027, operating budget format changes, tuition, room and board discounting, healthcare costs, employee compensation, multiyear projects, capital projects, professional degree designation changes, restricted grants and contracts, and Foundation/donor support for scholarships and operational expenses. Pratt also outlined the use of capital reserves which are included in the revenue numbers, noting that capital reserve spending is primarily for facility maintenance and capital projects. He also noted that the College of Osteopathic Medicine is a capital asset and will contribute to the balance sheet improvements. Pratt stated that the budget team continues to analyze the variables, predictive models, and drivers to look for efficiencies to include the use of Foundation funds that align with allowable parameters.

Discussion included the uncertainty of the current local and national economic outlook, deferment of maintenance, recent loss of funds previously provided by the State, upcoming state funding outlook, complexity of current funding models, factors in financial management and planning, Department of Education changes, recent legislation affecting graduate loans and changes in classification of professional degrees impacting financial aid, Pell workforce grants, ongoing changes in the Free Application for Federal Student Aid (FAFSA), changes in Medicaid funding and the outcomes for higher education, strategies for budget planning and forecasts, external factors in budget planning, challenges of 3-5 and 10 year projections, and predictions of cost structures.

E. Fiscal 2026-27 (FY27) Financial Drivers and Outlook

Pratt provided a recap of the FY2026 first quarter forecast and noted that a detailed account of the FY2027 financial drivers and outlook will be provided at the February 2026 Board meetings.

IV. Executive Session

With no further discussion or business, Chair Anton asked General Counsel English to make the following announcement to take the Board into executive session:

"Pursuant to §24-6-402(3)(a)(II), C.R.S., the University of Northern Colorado Board of Trustees will go into Executive Session to receive legal advice regarding pending legal issues and personnel issues pursuant to C.R.S. 24-6-402(3)(b)(I)."

Chair Anton sought a motion to take the Board into executive session. A motion was made by Vice Chair Steve Jordan, seconded by Trustee Maia Babbs, and approved by all Board members in attendance. The Board invited relevant staff members to join the executive session. The Board entered executive session at 12:47 p.m.

Following executive session, General Counsel English provided a public record of affirmation regarding the executive session and reconvened the regular meeting at 1:36 p.m.

V. Adjourn

With no further discussion or business, Chair Anton asked for a motion to adjourn the meeting. A motion to adjourn was made, seconded, and approved by all Board members in attendance. The meeting was adjourned at 1:40 p.m.