



COLORADO
**Department of
Higher Education**

**HIGHER EDUCATION
CASH-FUNDED CAPITAL PROJECTS
REPORT
FY 2022-2023**

DECEMBER 1, 2023

1600 Broadway, Suite 2200 • Denver, Colorado 80202 • (303) 862-3001
DR. ANGIE PACCIONE EXECUTIVE DIRECTOR



COLORADO
Department of
Higher Education

1600 Broadway, Suite 2200
Denver, CO 80202

Jared Polis
Governor

Dr. Angie Paccione
Executive Director

Dear Honorable Senator Story and Capital Development Committee Members:

Enclosed is the Department of Higher Education's (DHE) report on cash-funded projects for FY 2022-23. Institutions of higher education are required by C.R.S. 23-1-106(11)(a) to annually submit information to the Colorado Commission on Higher Education (CCHE) on cash-funded projects for which an expenditure was made in the previous fiscal year. These submissions are compiled into the enclosed report and delivered to the General Assembly's Capital Development Committee (CDC) by December 1st as required by C.R.S 23-1-106(11)(b).

This report captures the actual cash expenditures on all 100% cash-funded capital projects. The ten Governing Boards and the Auraria Higher Education Center are required to submit these reports (Adams State University, Colorado Mesa University, Colorado School of Mines, Fort Lewis College, Metropolitan State University of Denver, University of Northern Colorado, Western Colorado University, the Colorado Community College System, the Colorado State University System, the University of Colorado System, and the Auraria Higher Education Center).

Please do not hesitate to contact me if you have any questions or concerns.

Sincerely,

Lauren Gilliland
Deputy Chief Financial Officer and Budget Director
Colorado Department of Higher Education

Colorado institutions of higher education spent \$277.8 million on 100% cash-funded capital projects in FY 2022-23. A breakdown by each institution is provided in Table 1. Approximately 34% percent of all spending is attributable to the University of Colorado System, and an additional 31% is attributable to Colorado State University System.

Table 1: FY 2022-23 Cash Expenditures by Institution

Institution	FY 2022-2023 Cash Expenditures	% of Total of FY 22-23 Cash Expenditures
Adams State University	\$ 726,083	0.26%
Auraria Higher Education Center	8,948,565	3.22%
Colorado Community College System	15,593,862	5.61%
Colorado Mesa University	18,262,437	6.57%
Colorado School of Mines	34,038,690	12.25%
Colorado State University System	85,070,302	30.63%
Fort Lewis College	3,461,884	1.25%
Metropolitan State University	9,818,480	3.53%
University of Colorado System	95,534,987	34.39%
University of Northern Colorado	6,210,402	2.24%
Western Colorado University	107,852	0.04%
Grand Total:	\$ 277,773,545	

A breakdown of reported projects by project type can be found in Table 2. In FY 2022-23, there continues to be an elevated emphasis on controlled maintenance and capital renewal, in an attempt to address the backlog of maintenance on aging campuses. Renovation only projects make up another 52% of projects and 37% of expenditures. New construction projects and expansion/renovation combination projects made up only 7% of projects, but 35% of expenditures, as these projects tend to be more expensive. Property acquisitions made up the smallest portion of expenditures, representing just 2% of expenditures and 7% of projects.

Table 2: FY 2022-23 Cash Expenditures and Number of Projects by Project Type

Project Type	FY 2022-2023 Cash Expenditures	% of Total of FY 22-23 Cash Expenditures	FY 2022-2023 Projects	% of FY 22-23 Projects
Acquisition	\$ 5,015,399	1.81%	92	7.15%
Controlled Maintenance	27,369,444	9.85%	210	16.32%
Expansion and Renovation	39,707,785	14.30%	18	1.40%
New Construction	58,588,554	21.09%	72	5.59%
Renewal	44,491,815	16.02%	230	17.87%
Renovation Only	102,600,549	36.94%	665	51.67%
Grand Total:	\$ 277,773,545		1,287	

Table 3 breaks down reported projects and expenditures by whether they are related to buildings classified as academic, auxiliary, or a mix of the two. Facilities are classified as academic if they are central to the role and mission of the institutions. They are classified as auxiliary if they are funded by an auxiliary source such as housing or parking revenue, or any facility that has historically been managed as an auxiliary facility. Seventy-seven percent of projects were classified as academic, representing 63% of expenditures, while 23% of projects were classified as auxiliary, representing 36% of expenditures, and only three projects were a mix of the two.

Table 3: FY 2022-23 Cash Expenditures and Number of Projects by Academic / Auxiliary Classification

Academic/Auxiliary Classification	FY 2022-2023 Cash Expenditures	% of Total of FY 22-23 Cash Expenditures	FY 2022-2023 Projects	% of FY 22-23 Projects
Academic	\$ 174,021,235	62.65%	987	76.69%
Auxiliary	99,562,050	35.84%	297	23.08%
Academic/Auxiliary	4,190,260	1.51%	3	0.23%
Grand Total:	\$ 277,773,545		1,287	

As shown in Table 4, of the 1,287 cash-funded projects institutions made expenditures for in FY 2022-23, 53% of projects were completed within the fiscal year. Forty-seven percent were not completed, though these projects accounted for 75% of total expenditures, since more expensive projects also tend to take longer to complete.

Table 4: FY 2022-23 Cash Expenditures and Number of Projects by Project Status

Project Status	FY 2022-2023 Cash Expenditures	% of Total of FY 22-23 Cash Expenditures	FY 2022-2023 Projects	% of FY 22-23 Projects
Completed in FY22-23	\$ 69,815,552	25.13%	682	52.99%
Not Completed	207,957,993	74.87%	605	47.01%
Grand Total:	\$ 277,773,545		1,287	

Table 5 summarizes projects reported that utilized the higher education revenue bond intercept program. Established in C.R.S. 23-5-139, the intercept program allows qualifying institutions to use the state's credit rating when financing capital projects. This enables institutions to obtain better rates when the state's rating is better than the institutions. Statute establishes limits for the amount any given institution can borrow using the intercept program. For FY 2022-23 only two projects utilized this program, one at Colorado State University, and one at Colorado Mesa University.

Table 5: FY 2022-23 Intercept Cash Expenditures and Number of Projects by Institution

Institution	FY 2022-2023 Intercept Cash Expenditures	FY 2022-2023 Projects
Colorado State University	\$ 12,201	1
Colorado Mesa University	8,925,153	1
Grand Total:	\$ 8,937,354	2