



Office of the Board of Trustees

Oregon State University, 526 Kerr Administration Building, Corvallis, Oregon 97331

Phone 541-737-8260 | Fax 541-737-3033

March 7, 2014

Re: Attached proposed Board Policies

Dear Trustees:

Attached to this memo is an initial set of Board policies that has been approved by the Executive and Audit Committee for consideration by the full Board at the March 13 meeting. These policies are the beginnings of a Board Policy Manual that will supplement the Bylaws in guiding the Board's conduct of its business.

Staff will continue to work with the Executive and Audit Committee on development of the Policy Manual and will be proposing additional policies for your consideration in the coming months.

Sincerely,

A handwritten signature in blue ink that reads "Meg Reeves". The signature is written in a cursive, flowing style.

Meg Reeves
Board Secretary

Attachment

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**Oregon State University
Board of Trustees
Policy Manual**

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Responsibilities of Individual Trustees

Since its founding in 1868, Oregon State University has benefited from the service, intellectual contributions, ethical behavior, and philanthropy of many thousands of faculty, staff, students, alumni, and friends. Those of us who have been chosen to serve as fiduciary trustees for a period of time – to safeguard the University’s assets and to foster its capacity to serve others – have a heightened obligation to the University and to each other. To serve on a university governing board is a significant responsibility.

The trustees of the University have chosen to clarify the responsibilities, obligations, and expectations we have of each other. This statement is intended to help those who are asked to consider joining the Board of Trustees to understand more fully what is expected and to guide the Board in its operations and relations.

We agree that each Board member is responsible to:

- Embrace the institution’s mission and its responsibility to serve the diverse society that supports and depends on it.
- Devote the time and energy necessary to faithfully and diligently prepare for and participate in the Board’s meetings.
- Participate in constructive, informed deliberations by considering reliable information, thinking critically, asking good questions, and respecting diverse points of view in order to reach decisions that are in the best interests of the institution.
- Speak candidly, but also be willing to support decisions and policies approved by the Board—even if the trustee did not vote for them.
- Foster openness and trust among the board, the administration, the faculty, the students, state government, and the public
- Remember that only the Board Chair speaks for the Board and ordinarily is presumed to be delegated the responsibility to address controversial issues or board decisions with the media. Similarly, the President ordinarily speaks for the University.
- Avoid personal agendas or being seen as a representative of any internal or external constituency, special-interest group or cause, community, or specific part of the institution.
- Support the President of the University while at the same time exercising critical judgment as an active, discerning, energetic, and probing trustee.
- Distinguish between management and governance issues.

- Communicate any significant concern or complaint promptly to the Chair or President, as appropriate.
- Respect the opinions of others and refrain from public criticism of them or their views.
- Avoid even the perception of a possible conflict of interest with financial, personal, and family interests.
- Understand where the institution fits into the overall state higher education policy agenda.
- Participate, as appropriate, in University functions.
- Defend the institution's and the Board's autonomy while working with other trustees to provide accountability and advocacy in equal measure.

Adopted by the Board of Trustees [DATE]

Board Officers

The officers of the Board are the Chair and Vice Chair.

Election of Board Officers

Before the first regular Board meeting in even-numbered years, the Secretary of the Board will poll trustees for comments and recommendations to nominate either current officers for re-election or new officers for election to two-year officer terms to begin July 1.

The Secretary will notify nominees of their nomination, inform them of Board officers' responsibilities, and confirm nominees' willingness to serve. The Secretary will report these findings to the Executive and Audit Committee.

At the first regular Board meeting in even-numbered years, the Executive and Audit Committee will make recommendations to the Board regarding the election or re-election of Board officers.

Officers are elected by a simple majority of those present at the Board meeting at which the election is held, a quorum being noted. Nominations may be made at the time of election. Election will be by written ballot upon the request of any two (2) trustees present at the election.

The two-year terms of incoming officers will begin on July 1. Officers will continue in office until their successors are elected. No officer will be eligible to serve more than two (2) consecutive two-year terms in the same office.

Board officer vacancies may be filled by election at any meeting of the Board. Election to a vacant office shall be for the remainder of the unexpired term.

Role of the Chair

The Chair shall preside over all Board meetings; appoint all committees not otherwise provided for; be an ex-officio member of all standing committees; execute all legal documents and instruments on behalf of the Board affecting interest in lands; and perform any other duties usually devolving to such an officer. At the request of the Chair of the Board, or when the Chair is absent or unable to act, the Vice Chair shall discharge the duties of the office as Chair Pro Tempore.

In selecting a Chair, the following should be considered:

- Leadership ability;
- Philosophy and judgment;
- Past performance as a Trustee;
- Availability of time; and
- Willingness to serve and commit the required time.

The Chair of the Board is the Board's leader in carrying out its policy role within the organizational framework of the Board. Specific duties include the following:

- Providing policy leadership separate from the Administration;
- Acting as presiding officer of the Board;
- After consultation with the Vice Chair and the Secretary, appointing the chair, vice chair, and members of all standing committees;
- Serving as the liaison between the Board and the President;
- Acting as Chair of the Executive and Audit Committee;
- Monitoring and evaluating the work of each of the Board committees;
- Coordinating the work of Board committees by seeing that work is planned in advance and by periodically attending committee meetings; and
- Representing the University in major public relations matters where the policy of the institution is concerned.

Role of the Vice Chair

Qualifications for Vice Chair should, in general, be the same as those for Chair. At the request of the Chair of the Board of Trustees or in the Chair's absence or inability to act, the Vice Chair of the Board discharges the duties of the office as Chair Pro Tempore of the Board of Trustees.

Adopted by the Board of Trustees [DATE]

Standing Committees

The Board of Trustees operates through the following three standing committees:

- Executive and Audit Committee
- Academic Strategies Committee
- Finance and Administration Committee

After the first regular Board meeting in even-numbered years, at which the Board elects its Chair and Vice-Chair to a two-year term beginning July 1, the new Chair-elect will, within thirty days, appoint the memberships of the standing committees of the Board for two-year terms beginning July 1.

Each committee consists of not fewer than three trustees, appointed by the Chair of the Board. The Chair of the Board also designates the chair and vice chair of each committee. Each committee will then meet upon the call of its chair.

A quorum of a committee is a majority of the voting members. Trustees who are disqualified from voting on a particular matter are not counted for the purpose of establishing a quorum in relation to that matter. Action on a matter may be taken upon the approval of a majority of the trustees if a quorum is present when the action is taken.

As the need arises, the Board may create special committees with such functions, power, and authority as it may determine. Unless otherwise provided in the action of the Board, the Board Chair shall determine the number of committee members, appoint its members, and designate the committee chair and vice chair.

By July 1 of each year, dates for Board meetings for the next year will be selected. As soon thereafter as is practicable, the chair of each standing committee, after receiving advice and recommendations from the Secretary to the Board and from the University office providing staff support to the committee, will select dates for committee meetings for the next year. The Secretary to the Board will post on the Board's website, and deliver to each trustee, the schedule of standing committee regular meetings for the upcoming year.

Adopted by the Board of Trustees [DATE]

Executive and Audit Committee

The Executive and Audit Committee is established. The Committee is empowered to act for the Board in the case of emergency between regular Board meetings and to assist the University in its oversight of the University's financial practices and standards of conduct, as provided in this policy.

The Committee shall have the following five voting members: the Chair of the Board, the Vice Chair of the Board, the Chair of the Academic Strategies Committee, the Chair of the Finance and Administration Committee, and one at-large member appointed from among the remaining trustees. The President is an ex-officio, non-voting member of the Executive and Audit Committee. The Chair of the Board is the Chair of the Executive and Audit Committee.

The Committee is empowered to act for the Board if the Committee determines an emergency exists between regular Board meetings on any matter except the following, which shall be reserved for the Board: (1) presidential hiring, evaluation and removal; (2) ~~election of b~~~~Board and committee officers~~~~s-election~~; (3) changes in the mission and purposes of the University; (4) amendments to the bylaws; (5) sale or purchase of real property; (6) condemnation of real property; (7) determination of tuition and mandatory enrollment fees; and (8) adoption of the University budget.

The Committee's areas of responsibility are to assist the Board in: (1) oversight of the institution's standards of conduct; (2) overseeing audit activities, including internal and external audits; and (3) monitoring the University's internal control structure to ensure key risk, compliance, and regulatory requirements are met. In addition, the Committee is responsible for such other matters as may be referred to it by the Board.

The Committee has the authority, through its Chair or a majority vote of its voting members, to ask management to address specific issues within the mandate of the Committee, as well as the authority to engage independent legal counsel and other professional advisers to carry out its duties.

The Committee is responsible for making nominations to the Board for Board officers~~and committee assignments~~.

The Offices of the Secretary to the Board and the Chief Audit Executive are responsible for providing staff support to the Committee.

Adopted by the Board of Trustees January 9, 2014; amended March 13, 2014

Academic Strategies Committee

The Academic Strategies Committee is established to assist the Board in its oversight of the teaching, research, and public service missions of the University. The Committee consists of the trustees appointed by the Board Chair. The Provost and Executive Vice President and the Vice President for Research are ex officio, non-voting members of the Committee.

The Committee's areas of responsibilities are: (1) assisting the Board to ensure and protect, within the context of faculty shared governance, the educational quality of the University and its academic programs; (2) monitoring progress towards the University's achievement compact and other academic performance measures; (3) reviewing and recommending to the Board major changes to the academic programs of the University, such as the creation, merger, or closure of degree programs, schools, colleges, centers, or institutes within the University; (4) oversight of the University's athletic programs; (5) oversight of University policies regarding student life and conduct, faculty, and academic affairs; (6) oversight of University policies regarding research; (7) oversight of University policies regarding outreach and Extension; and (8) engagement with accrediting bodies. The Committee is responsible for such other matters as may be referred to it by the Board.

The Office of the Provost and Executive Vice President is responsible for providing staff support to the Committee.

Adopted by the Board of Trustees January 9, 2014; amended March 13, 2014

Finance and Administration Committee

The Finance and Administration Committee is established to assist the Board in its oversight of the integrity of the University's financial operations, physical plant, long-term economic health, and allocation of resources. The Committee consists of the Trustees appointed by the Board

Chair. The Vice President for Finance and Administration is an ex officio, non-voting member of the Committee.

The Committee's areas of responsibility are: (1) monitoring financial performance and reporting to the Board as appropriate; (2) reviewing and recommending to the Board annual and long-range operating and capital budgets; (3) reviewing and recommending to the Board requests and plans for issuance of debt; (4) ensuring that accurate and complete financial records are maintained; (5) reviewing and recommending to the Board University investment policies; and (6) ensuring that accurate and complete financial information is presented to the Board. The Committee is responsible for such other matters as may be referred to it by the Board.

The Office of the Vice President for Finance and Administration is responsible for providing staff support to the Committee.

Adopted by the Board of Trustees January 9, 2014; amended March 13, 2014

Conduct of Board Meetings

Board Agenda

Staff will make every effort to deliver the proposed agenda, and all available, pertinent materials, for each regular Public Meeting of the Board to each Trustee by regular mail, electronic mail, or otherwise, not less than seven days before any regularly scheduled meeting. Each item on the agenda must be approved by either the Chair or the President before being placed on the agenda. Except in unusual circumstances, staff must submit proposed agenda items, including consent agenda items, and pertinent materials to be included with the agenda, to the Secretary of the Board at least fourteen days prior to a Board meeting.

Order of Regular Meetings

The following shall be the order of business at each regular Public Meeting of the Board:

1. Call to Order/Roll/Declaration of a Quorum
2. Opening Comments and Reports
3. Consent Agenda (including approval of minutes)
4. Reports of Standing Committees of the Board
5. Reports of Special Committees of the Board
6. Action Items
7. Discussion Items
8. Public Comment
9. Adjournment

The order of business of the Board may be changed or suspended at any Public Meeting by the Chair or by a majority of the voting trustees present. An item may be moved from the consent agenda to the regular agenda by request of any trustee.

Procedure for Appearing Before the Board

Individuals who wish to provide public comment must sign up with the Secretary of the Board in advance of the public comment section of a meeting, stating their name, affiliation, and the topic to be discussed. A sign-up sheet will be available at each meeting. Unless otherwise indicated on the agenda or by the Chair, each public comment period will be for up to 30 minutes with a five minute limit per speaker.

The Chair is authorized to control meetings of the Board, to enforce requirements of order and decorum, and to limit comments that are duplicative, disruptive, or irrelevant.

Adopted by the Board of Trustees [DATE]

Board Calendar

The Board operates on the University's fiscal year (July 1 – June 30). Trustee terms, board officer terms, and committee appointments will generally begin on July 1.

Unless a majority of the Board decides otherwise, four regular meetings of the Board will be held during the year, in January, March, May, and October of each year.

The Secretary to the Board will post on the Board's website, and deliver to each trustee, the schedule of the Board's regular meetings for the upcoming year by July 1 of each year.

Adopted by the Board of Trustees [DATE]

Trustee Code of Ethics

The members of the Oregon State University Board of Trustees are public officials of the State of Oregon. Under Oregon law, service as a University trustee is a public trust. As one safeguard of that trust, public officials are required to comply with the ethical standards set forth in the Oregon Government Ethics Law, ORS Chapter 244.

All trustees, upon confirmation of appointment, and periodically thereafter, are to be made aware of the requirements of the Oregon Government Ethics Law or subsequent versions thereof. It is the Board's intent that this policy, or others adopted in furtherance of its purposes, be viewed and utilized as elaboration and guidance and that the statutory requirements set forth in Oregon law are the ultimate binding authority to which trustees must adhere.

As provided in the Oregon Government Ethics Law:

- Trustees may not use or attempt to use their position as trustees to obtain a financial benefit, if the opportunity for the financial benefit would not otherwise be available but for the trustee's position as a trustee. The financial benefit prohibited can be either an opportunity for gain or to avoid an expense. Not only are trustees prohibited from using their position as trustees to receive certain financial benefits, but trustees are also prohibited from using or attempting to use their position as trustees to obtain financial benefits for a relative or a member of the trustee's household. Also prohibited is the use or attempted use of the trustee's position to obtain financial benefits for a business with which the trustee, a relative, or a member of the trustee's household is associated.
- Trustees may not use or attempt to use confidential information gained in the course of or by reason of their position as a trustee for personal gain. This prohibition applies both during and after a trustee's term of office.
- Trustees may not accept gifts from any source with an economic interest, distinct from that of the general public, in any matter subject to a decision or vote by the Board, except for gifts with an aggregate value of less than \$50 per year. A gift is anything of economic value provided without consideration of equal value, including the full or partial forgiveness of debt, which is not provided to others who are not trustees on the same terms. This prohibition applies to trustees, as well as to their relatives and members of their households.
- Trustees must disclose actual and potential conflicts of interest and recuse themselves from the matter at issue, as more fully discussed in the Board's Policy on Trustee Conflicts of Interest and Recusal.
- Beginning in 2015, trustees are required to file an Annual Verified Statement of Economic Interest with the Oregon Government Ethics Commission by April 15 of each year.

Trustees are to consult with the Chair of the Board and/or counsel to the Board for guidance where appropriate. Any formal opinion should be requested from the Oregon Government Ethics Commission.

Adopted by the Board of Trustees [DATE]

Trustee Conflicts of Interest and Recusal

The Oregon Government Ethics law, ORS Chapter 244, defines conflicts of interest for purposes of Oregon law and requires public officials to disclose conflicts and to take appropriate action following such disclosure. It is the Board's intent that this policy, or others adopted in furtherance of its purposes, be viewed and utilized as elaboration and guidance and that the statutory requirements set forth in Oregon law are the ultimate binding authority to which trustees must adhere.

In brief, a trustee is met with a conflict of interest when participating in a Board action which could or would result in a financial benefit or detriment to the trustee, to a relative of the trustee, or to a business with which either is associated.

A trustee is met with an *actual* conflict of interest when the trustee participates in action that *would* affect the financial interest of the trustee, the trustee's relative, or a business with which the trustee or a relative of the trustee is associated. A trustee is met with a *potential* conflict of interest when the trustee participates in action that *could* affect the financial interest of the trustee, a relative of the trustee, or a business with which the trustee or the relative of the trustee is associated.

If a trustee believes there to be an actual or potential conflict of interest, the trustee must disclose the nature of the conflict by publicly announcing the conflict at a meeting of the Board or of a Board committee before taking any action thereon. The disclosure shall occur at each meeting at which the trustee is met with the conflict. The minutes of the meeting shall record the disclosure and the nature of the conflict.

If the conflict is a *potential* conflict, a trustee may, after public disclosure of the conflict, either participate in official action on the issue that gives rise to the conflict or recuse himself or herself from such participation. In making such a determination, trustees are encouraged to consider the importance of avoiding even the appearance of impropriety.

If the conflict is an *actual* conflict, the trustee must recuse himself or herself from participation in official action on the issue that gives rise to the conflict.

In addition, recusal of University-affiliated trustees (the President and student, staff, and faculty trustees) may also be appropriate under other circumstances, such as where the trustee as a University constituent may be affected personally by a Board decision, where disclosure to the trustee may occur of information of a personal or private nature concerning another University constituent, or where the trustee's participation may cause a legal privilege to be in jeopardy.

Adopted by the Board of Trustees [DATE]

Reimbursement of Trustee Expenses and Attendance at University Events

Trustees serve without compensation, but are entitled to reimbursement for reasonable expenses incurred while representing the University in an official capacity, including but not limited to attendance at conferences and other events, in accordance with the policies of the University governing such expenses.

Reimbursement of trustee expenses is subject to approval by the Chair and the Secretary of the Board. Reimbursement of expenses incurred by the Chair is subject to approval by the Vice Chair and the Secretary of the Board.

From time to time, a trustee may attend University events as part of the trustee's duties and in an official capacity. Such events might include artistic performances, athletic competitions, speeches, and other events for which there is ordinarily an attendance charge. Up to two tickets to such an event, without charge, may be provided by the University to a trustee. When attending such an event, the trustee is considered to be appearing in an official capacity and may be required to attend official functions or play an official role related thereto. Such tickets, and the reimbursement of any reasonable expenses related to the event, are considered "reimbursement of expense," and not a "gift," for purposes of the Oregon Government Ethics Law.

Adopted by the Board of Trustees [DATE]