



The Board of Trustees of Oregon State University

Regular Meeting of the Finance & Administration Committee
July 8, 2014

President's Conference Room, Kerr Administration Building
Oregon State University, Corvallis, Oregon

MINUTES

Committee Members Present: Mark Baldwin, Darry Callahan, Elson Floyd (vice chair), Laura Naumes, Taylor Sarman, Kirk Schueler (chair), Mike Thorne, Pat Reser (ex officio), Glenn Ford (ex officio)

Other Trustees Present: Michele Longo Eder, Brenda McComb

University Staff Present: Sherm Bloomer, Mike Green, Mark Huey, Jan Lewis, Kirk Pawlowski, Linda Powell, Meg Reeves, Melanie Rose, Patti Snopkowski, Marcia Stuart, Ryan Winklepleck

1. Call to Order

Committee Chair Kirk Schueler called the meeting to order at 9:01 a.m., asked the Assistant Board Secretary to call the roll, and noted a quorum.

2. Review and Approval of March 12, 2014 Meeting Minutes

On a motion made and seconded, the Committee approved the minutes of the March 12, 2014 meeting of the Finance and Administration Committee as presented.

3. Information Items

a. 2015-17 Legislative Operating and Capital Funding Request Submittals to the Higher Education Coordinating Committee

Vice President for Finance and Administration Glenn Ford reported that a few minor adjustments were made to the funding request following the March 13, 2014 Board Meeting in order to comport with additional information requests from the HECC. The Executive and Audit Committee reviewed and approved those changes at the committee's March 28 and April 22 meetings, following Board approval of that committee's actions at the Board's March 13, 2014 meeting.

b. Financing Capital Investment—"Bonds 101"

Associate Vice President Michael Green presented an overview of financing capital investment in order to give trustees a better understanding of bonding options that exist for the University.

c. "Capital Planning 101"

University Architect and Executive Director, Capital Planning and Development, Kirk Pawlowski presented an overview of capital planning at Oregon State. He summarized the major capital investments that have been made between 2004 and 2013 and noted the major capital investments for 2015-17 the Board approved at its March meeting.

d. Quarterly Management Reports

The committee discussed the importance of quarterly financial management reports that will assist the Committee, the Board and the University in tracking performance of the University's annual operating budget. In addition, the committee reviewed the proposed format and topics for the reports.

e. Audit RFP Process

Chief Audit Executive Patti Snopkowski informed the committee that the University will be issuing a Request for Proposal for an external audit firm to perform the annual financial statement and federal compliance audits. Ms. Snopkowski noted that the Executive and Audit Committee will approve the selection of the firm and that the Finance and Administration Committee will be kept informed of the firm's activities.

4. Action Item

a. Review and Approval of the OSU Fiscal Year 2014-15 Operating Budgets

Following a presentation by Director of Budget and Fiscal Planning Sherm Bloomer on the University's proposed FY 2014-15 operating budgets, the Committee unanimously approved a motion to move the item forward to the Board for its review and approval at the July 18, 2014 Board Meeting.

5. Other Items

Staff were asked to continue to develop a long-range capital plan aligned with the University's strategic plan and to seek Committee and Board approval of that capital plan. The Committee requested staff to develop debt strategies and policies for the Committee's review and approval. The Committee recommended that staff develop some initial financial targets, such as fund balance as a percent of revenue, which the Committee and Board could use to communicate policy and direction. The Committee noted that the evolution of its and the Board's budget review and approval process should include additional detail and trend and forecast information in order to create over time more context for trustees' review, discussion and decision-making.

6. Adjournment

There being no other business, the meeting was adjourned at 12:02 p.m.

Respectfully submitted,



Mark Huey
Assistant Board Secretary