

President's Residence Policy

BACKGROUND

In April 2018, the Board determined a need to re-establish university-provided presidential housing to prepare for a transition to the next university president. With this direction, staff worked with Board leadership to investigate possible options for Oregon State and proposed purchase of a private residence at 3480 SW Western Blvd. Funded by donor contributions and funds from the sale of the previous university-provided president's residence, the university in June 2019 purchased and began a Board-led process of updating the interior and completing renovations for accessibility and use of portions of the house for university events. Substantial completion of this work and occupancy are scheduled for June 2020.

PROPOSED POLICY

In addition to serving as a home for the president and family, the residence supports the university's mission by serving as a destination and meeting place to engage university students, leaders, faculty, staff, and community members. The proposed President's Residence Policy provided in Exhibit A of Attachment 1 supplements the terms related to the official residence outlined in the presidential employment agreement. The employment agreement specifies the university's obligations regarding maintenance and insurance, and the policy supports the operations, management, and use of the President's Residence consistent with the public and private nature of this unique facility. The policy assigns management and daily operations of the residence to the Office of the President with oversight provided by the Board.

RECOMMENDATION

Staff propose that the Executive & Administration Committee recommend to the Board adoption of the President's Residence Policy as provided in Attachment 1.

RESOLUTION NO. 20-__



**Oregon State University
President's Residence Policy**

BACKGROUND

For the benefit and convenience of the university in having appropriate proximity and access, the Board of Trustees has designated the President's Residence located at 3480 SW Western Boulevard as the official residence for the president of Oregon State University. The residence supports the university's mission by serving as a destination and meeting place to engage university students, leaders, faculty, staff, and community members. The President's Residence Policy directs the operations, management, and use of the residence consistent with the public and private nature of this unique facility.

RESOLUTION

Now, therefore, be it resolved by the Board of Trustees that the President's Residence Policy, attached as Exhibit A, is established.

This Resolution is effective upon approval by the Board of Trustees.

APPROVED by the Board of Trustees _____

Secretary of the Board

Date



Oregon State University President's Residence Policy

Purpose

For the benefit and convenience of the university in having appropriate proximity and access, the Board of Trustees has designated the President's Residence located at 3480 SW Western Boulevard as the official residence for the president of Oregon State University. The residence supports the university's mission by serving as a destination and meeting place to engage university students, leaders, faculty, staff, and community members. While the residence is a university-owned property, its operations, management, and use will be appropriately structured to support the public and private nature of this unique facility.

The purpose of this policy is to provide guidance regarding the operations, management, and use of the President's Residence ("residence"). The President's Residence includes the house, appurtenant structures, pond, and yard and shall be maintained and insured as specified in the employment agreement between the president and university.

Authorized Use and Access

The residence is designated for private use by the president and members of the household unless otherwise designated for university use during a university event, meeting, or activity.

Management and daily operations of the residence will be the responsibility of the Office of the President. The university chief assistant to the president serves as the residence manager.

Scheduling of and access to the residence will be coordinated through the Office of the President. An event log of all university events, business meetings, and other activities held at the residence will be maintained, including activities funded or organized by another unit or entity. Only events approved by the president shall be held at the residence. As the property is located within a neighborhood of the City of Corvallis, all activities at the residence will comply with City of Corvallis noise ordinances.

All keys and security access codes must be issued through the residence manager. No unauthorized access to the residence is allowed.

Because the residence is designed for a mix of private and university use, policies, standards, and guidelines generally applicable to university-owned or –controlled property may have a different application at the President's Residence, including but not limited to those pertaining to smoking and tobacco use, alcoholic beverages, and the presence of animals. Decisions on applicability of university policies and standards are delegated to the Board Chair. Except for applicable laws, no restrictions apply for food and beverage served at the residence.

Furniture, Movable Equipment, and Artwork

- A. The university president will be expected to provide furniture and movable equipment in sufficient quantity to meet personal family needs.
- B. The university will provide furniture, appliances, and equipment (including china, silverware, utensils, kitchen and dining equipment, and similar items), that are required, in addition to that furnished by the president, to host large groups and social events or to support other university activities that take place in the residence. The residence manager will maintain an inventory of university-provided furniture, appliances, and equipment over \$5,000 consistent with university policy. Additionally, the residence manager will maintain an ongoing list of items of significant value and considered high risk for theft.
- C. The university will provide a rotating collection of artwork for designated spaces in which university activities are anticipated to take place. The residence manager will maintain an inventory of artwork for management and insurance purposes.

Budgeting and Reporting

- A. Prior to the beginning of each fiscal year, the president shall prepare and submit to the Board Chair the maintenance and operating budget for the President's Residence for the ensuing fiscal year.

The budget shall be prepared using reasonable expenditure classifications, including, but not limited to:

- 1. General operating expenses
- 2. Landscape, irrigation, and pond care and maintenance
- 3. University hosting and event expenses
- 4. University-provided furniture, appliances, and equipment
- 5. Repairs/maintenance

The chair of the Board of Trustees shall approve the budget or return it to the president with instruction for its revision and resubmission.

- B. As soon as practical after June 30 of each year, a report of actual operating, repair, and maintenance expenditures for the most recent fiscal year shall be prepared by the president and submitted to the Board of Trustees. The report shall show a comparison of actual expenditures to budgeted expenditures by major expense classification.
- C. Scheduled and/or unanticipated remodeling and major repairs made to the President's Residence will be performed in conformance with general policies of the university after consideration of the residential nature of the facility. The chair of the Board of Trustees must review and approve any project expected to cost in excess of \$25,000.

Taxability of Housing Benefit and Reporting Requirements

In accordance with Internal Revenue Service (IRS) regulations issued under Internal Revenue Code section 119, the value of university-provided housing is not taxable to the president

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because the president is required to occupy university-provided housing for the convenience of the university. Although housing is not taxable, some housing-related expenses, included those associated with support staff and equipment may be taxable.

Detailed IRS rules determine whether the university must report certain expenses as taxable income to the president. The president should consult a personal tax advisor with questions about these requirements.