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September 26, 2019

To: Finance & Administration Committee
From: Patty Bedient, Chair
Re: 2020 Committee Work Plan and 2019 Board Assessment Results

It's time again to prepare our committee work plan for next year. This is a good practice we've established as a committee – it gives us time to reflect on our committee responsibilities (Attachment 1) and to take stock of our work over the course of the year (Attachment 2).

As I review our work over this year (Attachment 2), I'm struck by how many capital projects we've considered (or will consider in October) under the Board's new capital approval process. During our work plan discussion, I will be interested to hear your thoughts on how the new approval process is going.

As a committee, I would say that we are following through on responsibilities, which is supported by the feedback from you in the Board self-assessment survey (Attachment 3). Given this, I am proposing that we carry forward with a similar agenda for next year as shown in Attachment 4. That said, I welcome your thoughts on topics or gaps you see in our work plan related to our committee responsibilities. I also wanted to note that our committee may be assigned additional oversight for work emerging from the Board retreat, which we would want to incorporate into our plan for next year.

I look forward to that discussion with all of you.



Oregon State University Finance & Administration Committee Charter

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.

Document History:

- Adopted by the Board of Trustees January 9, 2014
- Amended March 13, 2014



Finance & Administration Committee 2019 Work Plan

Approved Oct 25, 2018

Annotated to reflect work completed or
Scheduled to be completed at October 2018 Meeting (indicated with ✓),
Adjustments and additions (all shown in red)

Meeting Dates 2019	Item	Link to Charter/ Policy
Jan 17, 2019	FY2019 Q1 Operating Management Report (Accept) ✓	Charter: (1) Monitor financial performance
	FY2019 Q1 Investment Reports (Accept) ✓	Charter: (1) Monitor financial performance
	Ten-Year Capital Forecast ✓ (Recommend to Board)	Charter: (1) Monitor financial performance; (2) Review annual and long-term operating and capital budgets
	FY2018 Financial Statement Analysis & Financial Metrics Update ✓	Charter: (1) Monitor financial performance
	FY2018 Annual Financial Statements ✓ (Joint Review with Executive & Audit Committee)	Charter: (4) Ensure accurate and complete financial records are maintained; (6) Ensure accurate and complete financial info presented to Board
	Preliminary FY2020 Tuition Rates, Mandatory Fees and Student Incidental Fees ✓	Charter: (2) Review annual and long-term operating and capital budgets
	Internal Bank Annual Report (Accept) ✓	Charter: (1) Monitor financial performance
	Biennial Review of Investment Policy and Strategic Treasury Management– carried over from October 25, 2018 meeting ✓	Policy: Investment Policy Charter: (5) Review investment policies
	Investment Policy Amendment ✓ (Recommend to Board)	Charter: (5) Reviewing and recommending to the Board University investment policies
	Issuance of OSU Revenue Bonds ✓ (Recommend to Board Resolution Authorizing Sale of Revenue Bonds)	Charter: (3) Recommend to Board requests for issuance of debt
Apr 4, 2019	FY2019 Q2 Operating Management Report ✓ (Accept)	Charter: (1) Monitor financial performance

October 17-18, 2019 Board of Trustees Meetings

Meeting Dates 2019	Item	Link to Charter/ Policy
	FY2019 Q2 Investment Reports ✓ (Accept)	Charter: (1) Monitor financial performance
	FY2020 Tuition Rates, Mandatory Fees and Student Incidental Fees ✓ (Recommend to Board)	Charter: (2) Review annual and long-term operating and capital budgets
	FY2019 Operating Budget Outlook ✓	Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate I: Cordley Hall ✓ (Advance to next stage)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate I: Cascade Hall ✓ (Advance to next stage)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate II: Merryfield Hall (Recommend to Board)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Strategic Financial Opportunities (including health and retirement benefits; administrative and other costs) – moved to May 30, 2019 meeting ✓	Charter: (1) Monitor financial performance; (2) Review annual and long-term operating and capital budgets
May 30, 2019	FY2020 Operating Budget ✓ (Recommend to Board)	Charter: (2) Review annual and long-term operating and capital budgets
	Risk Management Report – Research Space Needs ✓	Matter referred to committee
	Capital Project Stage Gate II: OSU-Cascades 46-acre Site Reclamation ✓ (Recommend to Board)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate I: Research Way Laboratory Improvements ✓ (Advance to next stage)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
Mid-Period Telephonic Meeting July 30, 2019	FY2019 Q3 Operating Management Report ✓ (Accept)	Charter: (1) Monitor financial performance
	FY2019 Q3 Investment Reports ✓ (Accept)	Charter: (1) Monitor financial performance

October 17-18, 2019 Board of Trustees Meetings

Meeting Dates 2019	Item	Link to Charter/ Policy
	Capital Project Stage Gate I: OSU-Cascades Academic Building 2 ✓ (Advance to next stage)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate I: Washington Way Improvements ✓ (Advance to next stage)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate I: Campus Operations Center ✓ (Advance to next stage)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate I: Burt Hall II Reconstruction ✓ (Advance to next stage)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	FY2020 Operating Budget Update ✓	Charter: (1) Monitor financial performance
	Athletics Update ✓	Charter: (1) Monitor financial performance
Oct 17, 2019	FY2019 Q4 Operating Management Report ✓ (Accept)	Charter: (1) Monitor financial performance
	FY2019 Q4 Investment Reports ✓ (Accept)	Charter: (1) Monitor financial performance
	Capital Project Status Report ✓	Charter: (1) Monitor financial performance; (2) Review annual and long-term operating and capital budgets
	OSUF Fundraising, Revenues, and Expenditures Report – postponed until January 2020	Charter: (4) Ensure accurate and complete financial records are maintained; (6) Ensure accurate and complete financial information
	Athletics Financial Sustainability Plan ✓	Charter: Monitor financial performance
	2019 Board Assessment Results ✓	Bylaws of the Board of Trustees
	2020 Committee Work Plan ✓ (Accept)	Policy: Board Officers
	Capital Project Stage Gate I: PacWave ✓ (Advance to next stage)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets

October 17-18, 2019 Board of Trustees Meetings

Meeting Dates 2019	Item	Link to Charter/ Policy
	Capital Project Stage Gate II: Cordley Hall ✓ (Recommend to Board)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate II: Washington Way Improvements ✓ (Recommend to Board)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate II: Burt Hall II Reconstruction ✓ (Report/Final Budget Approval)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate II: Campus Operations Center ✓ (Recommend to Board)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate II: Cascade Hall ✓ (Recommend to Board)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate II: OSU- Cascades Academic Building 2 ✓ (Recommend to Board)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Capital Project Stage Gate II: Research Way Laboratory Improvements ✓ (Recommend to Board)	Approval of Capital Projects Policy Charter: (2) Review annual and long-term operating and capital budgets
	Public University Fund Investment Policy Amendments ✓ (Recommend to Board)	Charter: (5) Review University investment policies

**2019 Trustee Self-Assessment Survey:
Finance & Administration Committee**

Average Response to Questions (rating scale ranged from 1-strongly disagree to 5-strongly agree)

Criteria	Question	2015	2016	2017	2018	2019	Prior 4 Yr Average
Responsibilities/Performance	As a committee member, I have a clear understanding of the committee's role and responsibilities.	4.4	4.6	4.5	4.6	4.4	4.5
Responsibilities/Performance	Committee work is guided by a strategic and clearly articulated work plan.	4.3	4.4	4.0	4.2	4.1	4.2
Engagement	Committee members actively participate in discussions.	4.3	4.6	4.5	4.6	4.3	4.5
Culture/Relationships	Committee members listen to and value each other's comments.	4.6	4.9	5.0	4.6	4.4	4.8
Leadership	The leadership of the committee is effective.	4.4	4.7	4.8	4.4	4.6	4.6
Support	Committee meetings...Have agendas and materials that are distributed far enough in advance to give them adequate consideration.	4.3	4.6	4.7	4.8	4.3	4.6
Support	Committee meetings...Rely on written and presentation materials that provide the right type and amount of information and are clearly written.	4.3	4.4	4.8	4.4	4.4	4.5

October 17-18, 2019 Board of Trustees Meetings

Criteria	Question	2015	2016	2017	2018	2019	Prior 4 Yr Average
Support	Committee meetings...Are a good balance of information-sharing, discussion, decision-making, and committee education.	4.3	4.3	4.5	4.4	4.4	4.4
Support	Committee meetings...Allow enough time for the exchange of ideas and thoughtful deliberation.	4.0	4.7	4.2	4.2	4.4	4.3

Summary of 2019 Written Survey Comments

- Continue to better understand the fiscal impacts of the strategic plan
- Continue conversations about tuition scenarios and how financial aid (need based/merit based) functions and is distributed among students
- Additional information on the new Corvallis Education & General funding model with details on how money is distributed among those colleges and departments

Finance & Administration Committee
2020 Work Plan
DRAFT

The Finance & Administration work plan provides a general road map to ensure the committee meets its charter obligations and responsibilities assigned in Board policies. Agenda items listed under the Mid-Period Telephonic Meeting heading will be moved to the next regularly scheduled meeting if a mid-period meeting is deemed unnecessary. Stage gating of capital projects will be scheduled as they reach each stage.

Meeting Dates 2020	Item	Link to Charter/ Policy
Jan 23, 2020	FY2020 Q1 Operating Management Report (Accept)	Charter: (1) Monitor financial performance
	FY2020 Q1 Investment Reports (Accept)	Charter: (1) Monitor financial performance
	FY2019 Financial Statement Analysis & Financial Metrics Update	Charter: (1) Monitor financial performance
	FY2019 Annual Financial Statements (Joint Review with Executive & Audit Committee)	Charter: (4) Ensure accurate and complete financial records are maintained; (6) Ensure accurate and complete financial info presented to Board
	Preliminary FY2021 Tuition Rates, Mandatory Fees and Student Incidental Fees	Charter: (2) Review annual and long-term operating and capital budgets
	Internal Bank Annual Report (Accept)	Charter: (1) Monitor financial performance
	Ten-Year Business Forecast (Recommend to Board) (includes annual review of debt capacity and affordability ratios)	Charter: (2) Review annual and long-term operating and capital budgets; (5) Review investment policies Policy: Debt
	OSUF Fundraising, Revenues, and Expenditures Report (Carried over from October 17, 2019 meeting)	Charter: (4) Ensure accurate and complete financial records are maintained; (6) Ensure accurate and complete financial information
	Apr 2, 2020	FY2020 Q2 Operating Management Report (Accept)
FY2020 Q2 Investment Reports (Accept)		Charter: (1) Monitor financial performance

Meeting Dates 2020	Item	Link to Charter/ Policy
	FY2021 Tuition Rates, Mandatory Fees and Student Incidental Fees (Recommend to Board)	Charter: (2) Review annual and long-term operating and capital budgets
	FY2020 Operating Budget Outlook	Charter: (2) Review annual and long-term operating and capital budgets
	2021-23 Biennial Funding Request to HECC, Operating and Capital (Recommend to Board)	Charter: Recommend to Board annual & long-range operating & capital budgets
May 28, 2020	FY2021 Operating Budget (Recommend to Board)	Charter: (2) Review annual and long-term operating and capital budgets
	Risk Management Report – Research Space Needs	Matter referred to committee
Mid-Period Telephonic Meeting	FY2020 Q3 Operating Management Report (Accept)	Charter: (1) Monitor financial performance
	FY2020 Q3 Investment Reports (Accept)	Charter: (1) Monitor financial performance
Oct 15, 2020	FY2020 Q4 Operating Management Report (Accept)	Charter: (1) Monitor financial performance
	FY2020 Q4 Investment Reports (Accept)	Charter: (1) Monitor financial performance
	Capital Project Status Report	Charter: (1) Monitor financial performance; (2) Review annual and long-term operating and capital budgets
	Biennial Review of Investment Policy (Recommend to Board)	Policy: Investment Policy Charter: (5) Review investment policies
	Athletics Financial Sustainability Plan	Charter: Monitor financial performance
	2020 Board Assessment Results	Bylaws of the Board of Trustees
	2021 Committee Work Plan (Accept)	Policy: Board Officers