

**Oregon University System**  
**Oregon State Board of Higher Education**  
**Finance and Administration Committee Charter**

The Finance and Administration Committee is a standing committee of the Oregon State Board of Higher Education. To assist the State Board of Higher Education in achieving its statewide objectives and responsibilities, the Committee shall:

- 1) With the assistance of the Governance and Policy Committee, develop and implement a policy framework that permits the Committee to:
  - (a) Advise the Board on the management of the ongoing financial and administrative affairs of the Oregon University System;
  - (b) Focus the business functions of the Oregon University System on supporting the System's mission and the Board's priorities.
  - (c) Evaluate, monitor, and advise the Board on financial risk posed by, but not limited to, capital projects, debt, and budget allocations.
  - (d) Ensure that System finance and administration personnel have the requisite education, experience, and certifications to efficiently and effectively perform their duties.
- 2) To accomplish this policy framework outlined above, the Committee will undertake the following activities:
  - General Responsibilities:
    - With the assistance of the Governance and Policy Committee, develop and recommend administrative rules and policies necessary to ensure System and institutional resources are managed prudently, efficiently, and effectively.
    - Develop and recommend, for Board adoption, with the assistance of the Governance and Policy Committee, the policy for operational and transactional authority to be delegated to the Chancellor, the vice chancellor for finance and administration, and institution presidents, including reporting requirements and evaluation mechanisms.
    - Develop and monitor a set of financial performance and accountability measures for the Oregon University System and the OUS institutions, including reporting requirements and evaluation mechanisms.
    - Develop and monitor a set of personnel standards regarding the education, experience, and certifications, if any, needed for all senior finance and administrative personnel in the Oregon University System to efficiently and effectively discharge their duties and responsibilities.
    - The Chair of this Committee, in consultation with the Chancellor or staff, shall set the agenda for each meeting of this committee.

- The Chair of the Committee shall have the prerogative to defer Committee actions, where, in his/her opinion, the matter at hand is better suited for full Board consideration.
- The Chair of the Committee shall provide a standing report at each Board meeting as to the committee's activities in the interim.
- Operating Budget Issues:
  - Review and recommend the biennial operating budget to the Board of Higher Education for submission to the Governor each biennium.
  - Approve annual campus and Chancellor's Office General Fund allocations, operating budget and expenditure limitation allocations, and any changes thereto each year.
  - Approve quarterly budget management reports for the campuses and the Chancellor's Office.
  - Approve the annual management report and the annual financial statement analyses.
- Capital Budget Issues:
  - Review and recommend the capital construction budgets and project prioritization criteria to the Board of Higher Education for submission to the Governor each biennium.
  - Approve changes to capital project expenditure limitations and provide authorization to the Chancellor's staff to seek legislative approval of such where necessary.
  - Approve transfers of interest in Board-owned real property in accordance with Board rules.
- Audit Issues:
  - Annually review and approve the internal audit charter and organizational structure confirming the organizational independence.
  - Approve the appointment or removal of the Executive Director of Internal Audit, as recommended by the Board or Chancellor.
  - Review and approve the annual internal audit plan.
  - Review and approve quarterly audit reports for the campuses and the Chancellor's Office detailing the results of recommendations and follow-up procedures.
  - Review and approve the annual external audit of the OUS financial statements and A-133 federal compliance procedures. The review will include any recommendations made by the Oregon Secretary of State Audits Divisions or their designated audit firm.

- With approval of the Board of Higher Education and the Secretary of State, hire external audit firms as needed to perform special engagements.
- Devote, as necessary, a portion of the Committee meetings to an executive session with the internal or external auditors to discuss matters exempt from public disclosure under Oregon Revised Statute Chapter 192 - Public Records Policy.
- Finance and Investment Management:
  - Review and approve treasury management policies.
  - Approve bond sales, including issuing determinations that a project is self-supporting and self-liquidating, where applicable; Certificate of Participation (COP) sales; and other financing agreements.
  - Review and approve the investment policy guidelines as needed.
  - Approve the quarterly and annual investment reports.
- Human Resources:
  - With the assistance of the Governance and Policy Committee, develop and recommend policies addressing human resources and labor relations, including, but not limited to, grievance procedures, sexual harassment, criminal background checks, collective bargaining, and recruitment processes.
  - Provide oversight of the OUS defined contribution retirement and savings plans.
  - Provide oversight to personnel development plans for all senior finance and administration personnel to ensure that they are evaluated periodically and have the requisite education, experience, and certifications, if needed, to efficiently and effectively perform their duties.
- Other:
  - Provide oversight of the OUS procurement policies, including, but not limited to, monitoring minority, women-owned and emerging small business utilization and sole source and emergency procurements.
  - Provide oversight of OUS risk management policies.
  - Provide oversight of OUS information security policies, including, but not limited to, System standards, disaster recovery plans, and incident response plans.
  - Perform other duties as assigned and delegated.

*Board Approved: July 10, 2009.*