



Board of Trustees of Eastern Oregon University DRAFT Finance and Administration Committee Charter

Introduction

The Finance and Administration Committee (committee) is a standing committee of the Board of Trustees of Eastern Oregon University (board). This charter defines the committee's role and responsibilities.

Membership

The committee is comprised of seven members. At the board's second regular meeting of each odd-numbered calendar year or such other time as determined by the board, the board chair shall appoint the chairperson and other members of the committee. The chair and Vice Chair of the board shall not be appointed to the committee, but may act as alternates, including voting, in the event of the absence of any committee member at any meeting.

General Purpose and Scope

The Finance and Administration Committee serves as a subcommittee of the Board of Trustees of Eastern Oregon University (board) to:

- Advise the board on the management of the ongoing financial and administrative affairs of Eastern Oregon University (EOU);
- Focus the business functions of EOU on supporting the EOU mission and the Board's priorities; and
- Recommend policies to ensure that university resources are managed prudently, efficiently, and effectively.

Specific Responsibilities

A. Audit

- 1) The committee will review and recommend to the board the internal audit mission statement, charter, and other governance documents related to both internal and external auditing activities at EOU. This committee is delegated the oversight responsibility to ensure that EOU management is performing their duties of financial reporting, effective and efficient internal controls, and compliance with laws, regulations. Both internal and external auditors will have direct and unrestricted access to the committee and board should issues arise that necessitate that access.



- 2) Review and approve the selection of internal and external audit firms.
- 3) Review the annual internal audit plan and discuss the extent to which it addresses high-risk areas with the internal auditor.
- 4) Assure that the audit function reviews the system of internal controls and the adequacy of the accounting, financial, and operational policies and practices related to financial accounting, compliance, and ethics reporting.
- 5) Receive quarterly internal audit updates regarding progress on the audit plan and other reviews. Review the annual audit report and discuss significant issues of internal control and compliance with the internal auditor and management.
- 6) Discuss the planned scope of the annual independent audit and other engagements with the independent certified public accountants. Review the results of the audit(s), reviews, and other engagements with the auditors, reviewers, and management.
- 7) Receive and review the annual financial report with the independent certified public accountants and management.
- 8) Review, at least quarterly, reports made to the university fraud hotline.
- 9) Review and report to board any financial irregularity resulting in losses in excess of \$5000 or involving a member of senior management.
- 10) Devote, as necessary, a portion of committee meetings to an executive session at which only the external auditors are present with the committee to discuss matters exempt from public disclosure under the Oregon Revised Statue Public Records Policy 192.
- 11) Report results of internal and external audit findings to the board at least once annually.

B. Budget and Finance

- 1) Consider and recommend to the board on policy matters relating to budgeting for operating and capital needs, financial management, and long-range financial planning for EOU.



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- 2) Monitor the financial performance of EOU, including quarterly review of enrollment and managerial reports. The managerial reports will contain information and projections on enrollments, budgeted and actual revenues, expenses, fund balances, and other financial performance measures as determined by the committee.
- 3) Request additional financial reports and analysis from management, as necessary, to ensure a thorough review of financial activity.
- 4) Develop and monitor a set of financial performance and accountability measures for EOU.
- 5) Review quarterly cash investment reports. EOU is a participating member, and therefore pools its cash, in the Public University Fund (PUF). As such, EOU must adhere to the PUF's investment policy (see appendix A), as set forth by the Office of the State Treasurer.
- 6) Consider and recommend to the board all debt issuances for EOU.

C. Capital Planning and Real Estate

Consider and recommend to the board on matters relating to facilities and real estate administration, including long-range planning, the purchase, sale, or lease of real estate, capital construction, capital repair/maintenance, and debt financing.

D. Procurement and Contracting

Review procurement and contracting annual report that indicates utilization of Minority-owned, Women-owned, and Emerging Small Businesses (MWESB), as well as all sole source or emergency procurements.

E. Technology Infrastructure

Consider and recommend to the board on matters relating to the development of long-term planning for technology infrastructure.

F. Human Resources and Personnel

Consider and recommend to the board on matters relating to human resources, labor relations, and personnel policies.

G. Additional Policy Review

Consider and recommend to the board on other policies as deemed necessary, including but not limited to, the EOU Fraud, Waste, and Abuse policy (appendix C).



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Operating Guidelines

Certain docket action items related to business and financial matters will be referred for action directly to the board rather than to the committee. These items, requiring board approval, will go to the committee as “Items for Future Action” to allow sufficient time for discussion and consideration at the committee level. These items will then be presented as “Action Items” at a subsequent board meeting. The Committee Chair will confer with the staff and Board Chair to determine when other items should be referred directly to the board.

Items requiring action and/or review by the board are as follows:

- 1) Approval of EOU annual operating and capital budgets
- 2) Approval of EOU tuition rates
- 3) Approval of all debt issuance, whether state or university-paid debt
- 4) Approval of the purchase or sale of real estate, conveyances, easements, and long-term leases (greater than 5 years)
- 5) Approval of Finance and Administration committee charter modifications

Annual Review of Charter and Responsibilities

On an annual basis, the committee will assess its activities in regards to the responsibilities outlined in this charter, as well charter itself. If recommendations to modify the charter are deemed necessary, the modifications will go to the board for approval.

Finance and Administration Committee Staff

Vice President for Finance and Administration

Meetings

The committee shall meet quarterly, at a minimum, or more often as deemed necessary by the Committee Chair.