

Policy Title:	Board of Trustees' Delegation of Financial Authority
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Governing Body:	Southern Oregon University	Policy Number:	FAD.047 (580-040)
Policy Contact:	Vice President for Finance & Administration	Date Revised:	July 2016
Custodial Office:	Finance & Administration	Date Approved:	July 2016
Approved By:	President	Next Review:	July 2019
Related Policy:			

Revision History

Revision Number:	Change:	Date:
-	Initial version	July 2015
1	Revision	July 2016

A. Purpose

This policy codifies and revises as Southern Oregon University Policy the rules previously adopted by the State Board of Higher Education at Oregon Administrative Rule 580, Division 040 and transferred to SOU by operation of law on July 1, 2015.

B. Definitions

See definitions set forth in Policy Statement.

C. Policy Statement

I. Miscellaneous Powers

A. Division 40, 580-040-0005 Delegation and Assignment of Responsibility

The Board of Trustees delegates general supervision of fiscal and administrative activities to the President and designated staff. Major changes in organization or procedures in such activities shall be reported to the Board for approval. The Board directs the Vice President for Finance and Administration to execute Board policy in all areas of fiscal and administrative services. Among these are:

- (1) Designing, installing, supervising, reviewing and implementing fiscal and accounting policies and procedures in the university;
- (2) Designing budget systems and procedures describing university goals, program proposals to achieve these goals and the level and type of financial support necessary to implement approved programs during prescribed time periods. The Office of Finance and Administration is also responsible for budget execution review to assure

conformance with the adopted budget;

(3) Establishing policies and procedures for administration of gift, grant and contract funds;

(4) Custody, control, and management of the investment of university funds;

(5) Coordinated administration of policies relating to procurement, receipt and management of tangible personal property of the university;

(6) Development of an analytic program, founded on recognized institutional research techniques, providing input to the university's budget preparation and program evaluation efforts;

(7) Development of a program to analyze university administrative policies and practices and recommend specific actions to improve services and minimize costs;

(8) Sign claims on behalf of the Board, sign payrolls and sign checks on bank accounts with the State Treasurer or commercial banks.

B. Division 40, 580-040-0007 Retainage Processing Charges

1. The contractor for a construction contract may elect to have retainage deposited in an interest-bearing bank account, or to deposit securities in lieu of retainage. Contractors exercising one of these options will be charged for the cost of processing transactions related to that option.

2. The following charges will be accrued and deducted from the final payment to the contractor:

(a) \$50 for setting up initial records;

(b) \$15 for each subsequent transaction regarding the retainage funds or securities. These transactions include but are not limited to: depositing and withdrawing funds and reconciling the bank statement each month; receiving securities or safekeeping receipts for securities; preparing letters or statements to the institution, contractor or financial institution; and releasing funds or securities to the contractor.

C. Division 40, 580-040-0010 Institutional Authority to Establish Fees and Charges

1. The President has the authority and responsibility to establish as necessary, but ordinarily not more often than annually, fees for certain services and materials provided or coordinated by the institution. The fees are supplemental to required instruction fee, building fee, health service fee, incidental fee and other charges determined and established by the Board. The additional services and materials for which fees and charges may be established include student family, cooperative and miscellaneous housing; instruction-related services; motor vehicle and bicycle parking; hospital, medical, surgical, oral health and clinic services; short courses and workshops; fines for violation of campus regulations; special music, counseling and testing services; and off-campus facilities and services arranged by the institution.

2. For services and materials other than student family, cooperative and miscellaneous housing, the fees and charges shall be established at levels that assure recovery of the cost of providing the services and materials, including that portion of the operating costs required by legislative action on the university budget, and in accordance with criteria stated in the Administrative Rules.

3. The rates for student family, cooperative and miscellaneous housing shall be the amount necessary to meet, for that type of housing, the operating costs, required assessments, debt service, and the requirements of the Board's building repair reserve and equipment replacement reserve policies. For each type of housing, the rates charged for individual units may reflect differences in the age, quality, location, level of service provided and other factors affecting the relative economic value of the unit.

4. Residents of each of the three types of housing shall contribute, by means of applicable rental rates, toward the total debt service of that type of housing.

5. Provision for debt service related to each of the three types of housing is the responsibility of the institution.

6. For housing units scheduled for demolition, the institution shall provide a means for timely accumulation of reserves or for the acquisition of other funds sufficient to cover the costs of razing and removal. For this purpose, each of the three types of housing shall be provided for separately.

7. Fees and charges and amendments thereto that the President has Board-delegated authority to establish shall be adopted only after approval by the President in the manner required by the Administrative Procedure Act (ORS Chapter 183) or ORS 351.072. Copies of all fee schedules, charges, and amendments shall be presented to the Vice President for Finance and Administration for filing.

D. Division 40, 580-040-0025 Traffic Regulations, Parking Fees, and Enforcement Fines

1. The Board delegates to the President the authority and responsibility to enact such rules and fines as are deemed necessary and desirable to provide for policing, controlling, regulating and enforcing traffic and parking of motor vehicles and bicycles on property owned by or under the control of the university. The Board also delegates to the President the authority granted in ORS 352.360(5) to appoint peace officers for the purpose of enforcing institution rules governing traffic and parking.

2. Parking fees shall be charged where Article XI-F(1) bond proceeds have been used to finance the cost of acquiring parking sites or to make improvements thereto. Parking fees shall also be charged even though borrowed funds were not obtained if the operating and maintenance cost is \$6 or more per parking space per year.

3. When fees are to be assessed to users of automotive parking facilities, the rate of charge and income to be produced shall be in such an amount that, with interest income, will provide sufficient funds to cover all operating and maintenance costs and also meet bond debt service and reserve requirements where applicable.

4. Institutional accounts are not to be charged for parking spaces furnished to employees for personally owned automobiles. A charge may be made against a department or Division, however, where a parking space is furnished to a person with a privately owned vehicle who is rendering service for the benefit of that Division or office with no compensation.

5. The university shall adopt rules concerning the operation and parking of bicycles on property owned by or under the control of the university. The rules shall clearly state where bicycle parking will be permitted and where it will not be allowed. Penalties for violations may be proposed.

6. All traffic and parking rules must remain in effect for at least one full calendar year following adoption unless prior approval is obtained from the Vice President for Finance and Administration.

E. Division 40, 580-040-0030 Vehicle Safety Rule

1. The university, concerned about travel safety, adopts these rules to require action to promote safe travel.

2. For purposes of this rule:

(a) "Vehicle" means cars, vans, trucks, and buses;

- (b) "State-Owned Vehicle" means a vehicle owned by or registered in the name of the State of Oregon, the Board, or the institution;
- (c) "Hired Vehicle" means a vehicle that is leased, hired, or rented by the state, the Board, or the institution. This definition excludes borrowed vehicles;
- (d) "Borrowed Vehicle" means a vehicle that is not a "state-owned vehicle" or a "hired vehicle" but that is used on state business. "Borrowed Vehicle" includes vehicles owned by employees, students and others participating in institution activities and used on state business;
- (e) "State Business" means any activity for which all or part of the expenses may be reimbursed by any unit, department, Division or program of the university.
- (f) "Officially Sanctioned Program" means any program undertaken to further the instructional, research, or service missions of the institution or designed to promote the cultural and physical development of students. Such programs include but are not limited to:
- (A) Academic department programs;
 - (B) Cocurricular programs;
 - (C) Intramural, recreational sports, club sports and intercollegiate athletic programs;
 - (D) Any student programs or activities identified by the President or designee. Examples of such activities include, but are not limited to, student government, student housing activities and activities sponsored by student organizations that are consistent with the institution's mission.
- (g) "Major Traffic Offense" includes reckless driving, driving under the influence of intoxicants, failing to perform the duties of a driver, criminal driving while suspended or revoked, or fleeing or attempting to elude a police officer.
3. No motor vehicle owned, leased or controlled by the state shall be used to transport students to an event or activity not directly related to an officially sanctioned program. The institution shall develop policies and procedures to implement this rule, including a means to identify officially sanctioned programs.
4. The Board delegates to the President the authority and responsibility to establish specific rules governing travel safety, subject to the following general guidelines:
- (a) Institution rules shall provide procedures for certifying that persons who operate state-owned or hired vehicles on state business possess a valid driver's license and have not been convicted of a major traffic offense as defined by this rule within three years of the proposed operation;
 - (b) Institution rules shall require that vehicles (not including buses) used on state business have operable seat belts for all occupants. Institution rules shall also indicate the circumstances under which additional safety equipment such as a flashlight, ice scraper, first aid kit, emergency instructions, tire chains, etc., will be required;
 - (c) Institution rules shall indicate the circumstances under which relief drivers and the filing of itineraries will be required;
 - (d) Institution rules shall apply to state-owned vehicles and to hired vehicles. Institution rules also may apply to borrowed vehicles at the discretion of the institution, giving consideration to enforceability, the nature of the travel and other relevant factors.
5. The institution shall file a report with the Office of Finance and Administration by August 31 of each year commenting on the adequacy of the travel safety rules and summarizing the vehicle accidents and injuries that have occurred during travel on state business in the preceding 12 months.
6. Institution travel safety rules and amendments thereto will be effective only upon approval of the Vice President for Finance and Administration or a designee.

F. Division 40, 580-040-0041 Revolving Charge Accounts Policy

1. To the extent the university offers extended payment terms utilizing a revolving charge account method, it shall adopt rules creating the Revolving Charge Account Plan and describing the terms and conditions applicable to the Plan.
2. Transactions covered by the Plan may include (by way of description and not limitation) tuition, fees, housing charges and other obligations primarily involving students; facilities rentals, lease agreements, program user charges and other transactions with nonstudents; and fines and penalties, incurred by anyone.
3. If adopted, institutional rules shall:
 - (a) Describe the interest to be charged, as well as service charges, collection and other fees and costs, if any, and penalties that would apply should an account become delinquent;
 - (b) Provide for an agreement to be signed by the obligor, the form of which shall be approved by the Vice President for Finance and Administration; the institution shall use its best efforts to have the agreement signed, except for debts arising from fines, penalties and the like; and
 - (c) Provide that tuition and fees incurred in any given term be paid in full prior to enrollment in any subsequent term.

II. Surplus Property Disposal

A. Division 40, 580-040-0300 Purpose

These rules establish a process for disposal of surplus and scrap property that safeguard's state assets, creates efficiency in surplus or scrapping, maximizes the value received for property that is surplus to institutional needs, and is attentive to environmental impacts.

B. Division 40, 580-040-0301 Definitions

For purposes of 580-040-0301 through 580-040-0311, unless context requires otherwise:

1. "Board" means the Southern Oregon University Board of Trustees.
2. "Employee" means a person who, within the last twelve months, has been paid a wage for full-time, part-time, or temporary work by an institution.
3. "Federally Funded Surplus Property" means personal property, vehicles, and titled equipment, purchased with federal grant or other federal funds and that is worn-out, obsolete, or excess to the institution's needs, or otherwise unsuitable for intended use, the disposal of which would be to the financial benefit of the institution.
4. "Institution" means Southern Oregon University.
5. "President" means the chief executive officer of the university or designee.
6. "Scrap" means materials, including lost, mislaid, or abandoned property having no financial value or such low financial value as to make sale not cost effective.
7. "Surplus Property" means all personal property, including lost, mislaid or abandoned property, vehicles and titled equipment that is worn-out, obsolete or excess to the institution's needs, or otherwise unsuitable for intended use, the disposal of which would be to the financial benefit of the institution.

C. Division 40, 580-040-0302 General

1. The institution may, in accordance with these rules, dispose of any worn out, obsolete, scrap, or otherwise unsuitable surplus property, the disposal of which would be to the benefit of the institution, except as set forth in subsection II C2.

2. These rules do not apply to any equipment, goods, supplies, material, information technology or other personal property encumbered by a certificate of participation that will be disposed of in accordance with applicable law.

D. Division 40, 580-040-0303 Delegations

The institution may follow the procedures set out herein or adopt its own rules, which rules will conform to the purposes set out below. Prior to adoption, the President and the Vice President for Finance and Administration must approve the rules. In addition, the Board delegates to the President responsibility for implementing these rules or rules adopted by the institution. Purposes: Rules developed for surplus and scrap property will:

1. Safeguard state assets;
2. Create efficiency in surplusing or scrapping;
3. Maximize the value received for property to the extent consistent with efficiency; and
4. Attempt to reduce negative environmental impacts.

E. Division 40, 580-040-0304 Environmental Standards

Disposal of surplus property and scrap will be accomplished in accordance with all state, federal, and local regulations regarding environmental health and recycling. If ownership of surplus property or scrap is transferred to another party, the institution transferring the property must document passing of title. The acquiring party assumes environmental responsibility when title transfers.

F. Division 40, 580-040-0305 Maintenance of Proper Inventory Records and Justification of Sale or Disposal

1. The institution will set thresholds and standards that identify, by value or type, personal property for which disposal records must be maintained.

2. Disposal records for assets, whether or not capitalized, will include the following information:

- (a) Description of property and, if capitalized, asset number; and
- (b) Reason, date, and method of disposal.

G. Division 40, 580-040-0306 Disposition of Federally Funded Surplus Property

Federally funded property will be disposed of in accordance with applicable federal law or federal grant terms, if any. Otherwise, such property will be disposed of in accordance with these rules or institution rules adopted hereunder.

H. Division 40, 580-040-0307 Disposition of Property Acquired by Gift

Disposition of property acquired by gift will be in accordance with the Internal Revenue Code and any restrictions applicable to the property. Otherwise, the property will be disposed of in accordance with these rules or institution rules adopted hereunder.

I. Division 40, 580-040-0308 Exchange or Trade-in Option

The institution may exchange or trade-in property when such exchange or trade-in is in the best interest of the institution and is otherwise in compliance with applicable rules or policy. Exchange or trade-in will be considered disposal for purposes of these rules. Records will be kept regarding the valuation methodology used in evaluating the relative benefits of trade-in, exchange or sale.

J. Division 40, 580-040-0309 Transfer of Property to a Collaborating Government or Non-Profit Institution

Transfers of surplus property or scrap may be made to a collaborating government or other non-profit institution when intended for institution purposes and consistent with restrictions on its transfer.

K. Division 40, 580-040-0310 Method of Disposal; Eligibility to Acquire

1. The institution will use a method of disposal that is cost-effective, taking into account the costs of disposal and the potential for financial return. Disposal methods include, but are not limited to, exchanges; trade-ins; auctions; sealed bid sales; scrapping; fixed price retail sales; donation to other state agencies, Oregon political subdivisions, public non-profits, or web-based auctions or sales; and, for scrap, transfer for no valuable consideration.
2. No current or former employee or agent for such will be granted any benefit or opportunity not granted the general public in acquisition of items through the disposal process.
3. All property is conveyed "AS-IS, WHERE-IS" with no warranty, express or implied, of merchantability or fitness for a particular purpose, or any other warranties or guarantees. A purchaser or disappointed bidder will have no recourse against the State of Oregon, Southern Oregon University, or any of their officers, trustees, employees, or agents. All sales will be final.
4. The institution may provide that payment may be made by credit card, cash, cashier's check, personal check, wire transfer, or money order.
5. Surplus property paid for, but not claimed within the time specified in the sales terms and conditions, will be conclusively considered the property of the institution and may be disposed of in compliance with these rules.
6. Title to surplus property or scrap is transferred to the purchaser when the institution makes the item available to the purchaser either by the purchaser, purchaser's agent, or purchaser's or institution's designated shipper taking possession of the item. Surplus property must be paid for in full before the institution will make it available to the purchaser. Purchaser assumes all responsibility, including risk of loss or damage, for the item when title is transferred.

L. Division 40, 580-040-0311 Disposal of Computer and Other Electronic Storage Devices and Media

Prior to disposal of any computer, computer peripheral, computer software, electronic storage device, or storage media device, the institution will, as applicable, completely erase or otherwise render unreadable all information, data, and software residing on the device, unless the information, data, or software is to be conveyed and may be conveyed lawfully.

This policy may be revised at any time without notice. All revisions supersede prior policy and are effective immediately upon approval.

D. Policy Consultation

This policy was transferred to SOU by operation of law on July 1, 2015 from Oregon Administrative Rule 580, Division 040. Revisions to the text of the policy were posted for campus comment on June 21, 2016.

E. Other Information

The Policy Contact, defined above, will write and maintain the procedures related to this policy and these procedures will be made available within the Custodial Office.