Oregon TECH
Oregon Institute of Technology

Meeting of the
Oregon Tech Board of Trustees
Finance and Facilities Committee
virtually via Microsoft Teams
Wednesday, April 10, 2024
9:30 am – 11:35 am

Finance and Facilities Committee
(Also serving as the Audit Committee)
Agenda

1. **Call to Order/Roll/Declaration of a Quorum** (9:30 am) (5 min) *Chair Vince Jones*
2. **Consent Agenda** (9:35 am) (5 min) *Chair Vince Jones*
   - **2.1** Approve Minutes of the January 10, 2024, meeting.
3. **Reports**
   - **3.1** Fiscal Operations Advisory Council (FOAC) Report (9:40 am) (5 min) *Professor Don DaSaro (Verbal only)*
   - **3.2** FY 2023-24 YTD February Management Report (9:45 am) (10 min) *Vice President Finance & Administration, John Harman*
   - **3.3** Q-2 Financial Dashboard (9:55 am) (15 min) *Vice President Harman*
   - **3.4** Q-2 Investment Report (10:10 am) (5 min) *Vice President Harman*
   - **3.5** Q-3 FY 2023-24 Facilities Report (10:15 am) (10 min) *Director Thom Darrah*
   - **3.6** Update on Internal Audit Plan (10:25 am) (10 min) *Eide Bailly, Internal Auditors*
4. **Action Items**
   - **4.1** FY 2023 Annual Financial Report and Audit (10:35 am) (10 min) *CLA Representative, Jean Bushong*
   - **4.2** FY 2023 Single Audit (Federal Funds Compliance) (10:45 am) (15 min) *CLA Representative, Jean Bushong*
5. **Discussion Items**
   - **5.1** Discussion on 2025-27 biennium Capital Project Funding Submissions (11:00 am) (10 min) *Vice President Harman*
   - **5.2** Business Continuity and Disaster Recovery Briefing (11:10 am) (20 min) *Doug Tripp, Executive Director of Resilience, Emergency Management and Safety*
6. **Other Business /New Business** (11:30 am) (5 min) *Chair Jones*
7. **Adjournment** (11:35 am)

All times approximate

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Meeting of the
Oregon Tech Board of Trustees
Finance and Facilities Committee
Virtually via Microsoft Teams
January 10, 2024
8:30 am – 11:35 am

Finance and Facilities Committee
DRAFT Minutes

Trustees Present:

Vince Jones, Chair	Michele Vitali	Kanth Gopalpur
Mike Starr	Mason Wichmann	Stefan Bird

Trustees Not in Attendance:
Dr. Nagi Naganathan (*ex officio*)

Other Trustees in Attendance:

John Davis	Phong Nguyen	Cec Amuchastegui

University Staff and Faculty Present in person:
Abdy Afjeh, Vice Provost for Research and Academic Affairs, Interim Dean of ETM & Acting Provost
Jean Bushong, Clifton Larson Allen
Mandi Clark, Associate Vice President & Dean of Students & Interim VP for Student Affairs
Thom Darrah, Director-Facilities Management Services
Don DaSaro, President-Fiscal Operations Advisory Council
Audrey Donovan, Eide Bailly
Ken Fincher, Vice President of University Advancement & Interim Board Secretary
Lori Garrard, Executive Assistant to the VP of University Advancement
David Groff, General Counsel
John Harman, Vice President Finance & Administration
Joanna Mott, Provost, Vice President Academic Affairs & Strategic Enrollment Management
Adria Paschal, Senior Executive Assistant to the President
Doug Sluyk, Eide Bailly
Bryan Simkanich, Clifton Larson Allen
Eric Talbot, Soderstrom Architects
Bryan Wada, Information Technology Consultant 2

1. **Call to Order/Roll/Declaration of a Quorum** *Chair Vince Jones*
   Chair Jones called the meeting to order at 9:32 a.m. The Board Secretary called roll and a quorum was declared.

2. **Consent Agenda** *Chair Vince Jones*

2.1 Approve Minutes of the October 11, 2023 meeting.

No changes to minutes were voiced. Minutes approved as submitted.

3. **Reports**

3.1 Fiscal Operations Advisory Committee (FOAC) Report *Professor Don DaSaro*

- **Professor DaSaro** advised FOAC met in October where they reviewed their charter. They focused on the ongoing strategic challenges regarding enrollment and possible reduction in state funding. He advised there is a concern about the downward trend in enrollment and student hours and the possible negative effect it would have on the budget and state funding.

3.1.2 FY 2023-24 YTD November Management Report *Vice President John Harman*

- **VP Harman** reviewed the FY 2023-24 Budget Performance as of November. He focused on November revenue and labor expenses, direct expenses and net from operations.
- **Trustee Gopalpur** asked about adverse impacts that might occur next year. **VP Harman** advised he is concerned that as next year's budget is planned, we will need to compress spending and there will be a decline in funding. A strategy will need to be put in place to continue to produce quality at a lower budget.
- **Trustee Davis** asked for clarification on dual credit hours and its impact on enrollment statistics and revenue. **VP Harman** clarified dual credit enrollment and how it affects enrollment numbers. Trustees discussed enrollment and its impact on tuition and the budget.

3.1.3 Q-2 FY 2023-24 Capital Projects Report *Director Thom Darrah*

- **Director Darrah** reviewed the capital projects update, including updates on new student housing, geothermal systems emergency renovation, Boivin Hall traffic improvements, DPT research lab renovation, and the ABA clinic renovation.

3.1.4 Clifton Larson Allen – Exterior Auditor Briefing on Annual Report and Audit *Jean Bushong/Bryan Simkanich*

- **Jean Bushong** and **Bryan Simkanich** presented the external audit update. **Jean Bushong** reviewed audit roles and responsibilities.
- **Bryan Simkanich** talked about the 2023 unique audit items in the financial statement audit. He reviewed the 2023 financial statement audit process and a single audit update. He advised that there have been no significant findings.
- **Trustee Jones** asked for clarification on the difference between the financial statement audit and the single audit which **Bryan Simkanich** provided.

3.1.5 Clifton Larson Allen – Single Audit- External Auditor Briefing *Jean Bushong/Bryan Simkanich*

- **Jean Bushong** and **Bryan Simkanich** presented the single audit update.
- **Bryan Simkanich** talked about the testing and schedule of federal awards in process with a planned issuance by March 31, 2024.

- **Bryan Simkanich** identified the programs that will be the focus of the audit: student financial aid and economic development funding. The final report will be presented at the April 2024 meeting.

3.1.6 GLBA Information Security Statement *Vice President John Harman*

- **VP Harman** provided background on the Gramm-Leach-Bliley Act (GLBA). He advised that the act requires financial institutions, including higher education institutions, to protect the security, confidentiality, and integrity of customer financial records. The new safeguard rule includes an annual written report requirement to the Board of Trustees.
- **VP Harman** shared developments over the last year, future activities and trending security topics and opportunities.

3.1.7 Eide Bailly – Risk Assessment and Multi-Year Audit Plan Report *Kristin Diggs/Audrey Donovan*

- **Audrey Donovan** and **Doug Sluyk** shared about the risk assessment approach.
- **Audrey Donovan** summarized the risk assessment for Oregon Tech and the proposed multi-year engagements. She talked about the proposed audits to address the high-risk departments.
- **Trustee Bird** asked about the schedule and timing to address the risk assessment. **Audrey Donovan** advised they are working with administrators to determine that schedule.
- She shared the proposed consulting projects, which include regulatory compliance and monitoring, policy and procedure review, internal audit, and cybersecurity risk assessment.
- **Trustee Gopalpur** asked about the budget for this risk assessment. **Donovan** stated that there is an overall budget that was previously approved, and depending on the agreed-upon audits that will be conducted, they will have to wait to determine the final costs.
- Trustees engaged in discussion regarding the risk assessment audit.

3.1.8 Facilities Master Plan – Briefing *Vice President John Harman*

- **VP Harman** provided information regarding the facilities master plan. It is a comprehensive plan that is an essential tool for capital development and resource allocation. **VP Harman** shared the scope of work and highlighted some of the selected recommendations.
- Trustees discussed the plan and proposed campus updates.

4. Action Items

4.1 Soderstrom – Facilities Master Plan Report *Vice President John Harman*

- **Chair Jones** read the motion to the committee.

MOTION

Motion by the Committee for Approval by the full Board of the Facilities Master Plan with delegation of authority to the president or his designee to finalize report formatting and to coordinate capital projects and infrastructure improvements in collaboration with the Finance and Facilities Committee Chair.

Motion: Trustee Bird
Second: Trustee Starr

Roll Call Vote: Chair Jones aye, Trustee Bird aye, Trustee Gopalpur aye, Trustee Starr aye, Trustee Vitali aye, Trustee Wichmann aye.

Motion passed unanimously.

4.2 Eide Bailly – Risk Assessment and Multi-Year Audit Plan *Vice President John Harman*

- **VP Harman** explained the proposed motion.
- **Chair Jones** read the motion to the committee.

MOTION

Motion by the Committee for Approval by the full Board of the Risk Assessment and Multi-Year Audit Plan with delegation of authority to the president or his designee to coordinate activities with the internal auditors in collaboration with the Audit Committee Chair.

Motion: Trustee Gopalpur
Second: Trustee Vitali

Roll Call Vote: Chair Jones aye, Trustee Bird aye, Trustee Gopalpur aye, Trustee Starr aye, Trustee Vitali aye, Trustee Wichmann aye.

Motion passed unanimously.

5. Discussion Items *Chair Vince Jones*

None.

6. Other Business/New Business *Chair Vince Jones*
None

7. Adjournment: 12:02 p.m.

General Fund Monthly Report

FY 2023-24 February (in thousands)

	YTD Comparison		FY 2023-24 Budget & Forecast					
	FY 2022-23 February Actuals	FY 2023-24 February Actuals	FY 2022-23 Year End Actuals	FY 2023-24 Board Adopted Budget (BAB)	FY 2023-24 Adjusted Budget	FY 2023-24 Forecast	Forecast to Budget Variance	Notes
Revenue								
State Appropriations	$28,333	$31,068	$33,744	$33,942	$34,964	$36,806	$2,864	(1)
Tuition & Fees	34,885	35,835	37,487	39,514	39,514	37,600	(1,914)	(2)
Remissions	(4,538)	(5,031)	(6,600)	(5,805)	(5,805)	(7,200)	(1,395)	(3)
Other	1,923	2,375	3,498	2,374	2,395	3,531	1,158	(4)
Total Revenue	**$60,603**	**$64,246**	**$68,130**	**$70,024**	**$71,067**	**$70,737**	**$713**	
Expenses								
Administrative Staff Salary	$5,635	$5,806	$8,468	$10,234	$10,281	$8,677	($1,556)	
Faculty Salary	7,813	8,160	13,008	14,405	14,458	13,395	(1,009)	
Adjunct and Admin/Faculty Other Pay	1,975	2,111	3,622	3,649	3,617	3,780	131	
Classified	4,076	4,286	6,092	6,396	6,446	6,478	82	
Student	515	667	909	1,041	1,047	1,100	59	
GTA	68	51	94	121	121	94	(27)	
OPE	11,375	11,780	17,570	19,841	19,963	18,022	(1,820)	
Total Labor Expense	**$31,458**	**$32,860**	**$49,763**	**$55,687**	**$55,933**	**$51,547**	**($4,140)**	(5)
Service & Supplies	$9,459	$12,089	$14,560	$15,517	$16,849	$18,600	$3,082	(6)
Internal Sales	(867)	(855)	(1,287)	(1,388)	(1,388)	(1,258)	130	
Debt/Investment	1,162	1,298	1,718	1,208	1,208	1,593	386	(7)
Capital	151	546	620	175	296	847	672	(8)
Utilities	1,027	944	1,686	1,205	1,205	1,398	192	
Transfers In	-	-	-	-	-	-	-	
Transfers Out	723	709	1,433	1,406	1,406	1,406	-	(9)
Total Direct Expense	**$11,655**	**$14,730**	**$18,731**	**$18,123**	**$19,576**	**$22,586**	**$4,462**	
Total All Expense	**$43,113**	**$47,590**	**$68,494**	**$73,811**	**$75,509**	**$74,133**	**$322**	
Net from Operations before Other Resources (Uses)	**$17,490**	**$16,656**	**($364)**	**($3,787)**	**($4,441)**	**($3,396)**	**$391**	(10)
Other Resources (Uses)								
Transfers In	$36	$397	$180	$887	$887	$398	($489)	(11)
Transfer Out	(340)	(522)	(441)	(100)	(100)	(436)	(336)	(12)
Use of Reserve	-	-	626	3,000	3,000	3,434	434	
Total Other Resources (Uses)	**($304)**	**($125)**	**$364**	**$3,787**	**$3,787**	**$3,396**	**($391)**	(13)
Total from Operations and Other Resources (Uses)	**$17,186**	**$16,531**	**$ -**	**$ -**	**($655)**	**$ -**	**$ -**	
Beginning Fund Balance	$17,218	$16,613	$17,218	$16,613	$16,613	$16,613	$-	
Fund Balance Adjustment	-	21	(605)	(3,000)	(3,000)	(3,434)	(434)	
Ending Fund Balance	**$34,404**	**$33,165**	**$16,613**	**$13,613**	**$12,958**	**$13,179**	**($434)**	
Fund Balance as % Operating Revenues	56.8%	51.6%	24.4%	19.4%	18.2%	18.6%	0.4%	
Ending Cash Balance	$27,941	$25,008	$19,398					

Notes:

(1) **FY 2023-24 State Appropriations Forecast** - State appropriations increased from the Governor's budgeted four percent PUSF increase to the legislatively approved 11%.

(2) **FY 2023-24 Tuition & Fees Forecast** - Reflects impact of unexpected 5.6% enrollment decline (excludes ACP). Flat enrollment was budgeted for FY 2023-24.

(3) **FY 2023-24 Remissions Forecast** - Reflects impact of increased President's Award amounts.

(4) **FY 2023-24 Other Revenue Forecast** - Reflects unbudgeted increases in PUF earned interest and indirect grant revenue.

(5) **FY 2023-24 Total Labor Expense Forecast** - Reflects budgeted positions remaining unfilled for all or part of the year (mostly in administrative staff and faculty), and associated savings in other payroll expenses.

(6) **FY 2023-24 Service & Supplies Forecast** - Increase in spending due to multiple factors, including unbudgeted spend of TRU + PSU Financial Sustainability state appropriation, new marketing initiative, FY23 strategic investment carry forward, and accelerating software costs.

(7) **FY 2023-24 Debt Service/Investment Forecast** - Increase in spending due to realized Public University Fund investment losses.

(8) **FY 2023-24 Capital Forecast** - Increased capital spend resulting from FY23 equipment received in FY24 and planned spend of FY24 Academic Affairs equipment funds in capital rather than service and supplies.

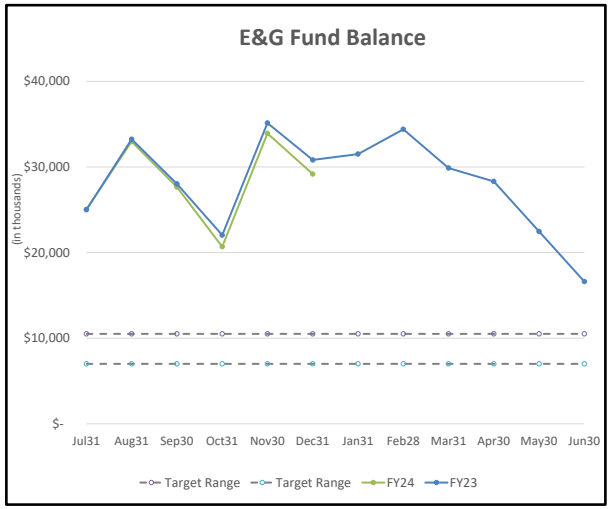
(9) **FY 2023-24 Transfers Out YTD Actuals** - Transfers out are regular, budgeted support of Athletics and the Shaw Library.

(10) **FY 2023-24 Net from Operations YTD Forecast** - Because of increased revenue, the net loss at year-end is less than budgeted - however, that reduction is offset by reduced transfers in associated with reduced spent of prior year Applied Computing and Rural Health Initiatives funding.

(11) **FY 2023-24 Transfer In (Other Resources (Uses)) YTD Actuals, Budget & Forecast** - Budgeted transfers in include use of prior year Applied Computing and Rural Health Initiatives funding and miscellaneous transfers, reduced because of lower forecasted spend.

(12) **FY 2023-24 Transfer Out (Other Resources (Uses)) YTD Actuals, Budget & Forecast** - Transfers out include budgeted institutional support for the AIRE grant, and miscellaneous transfers.

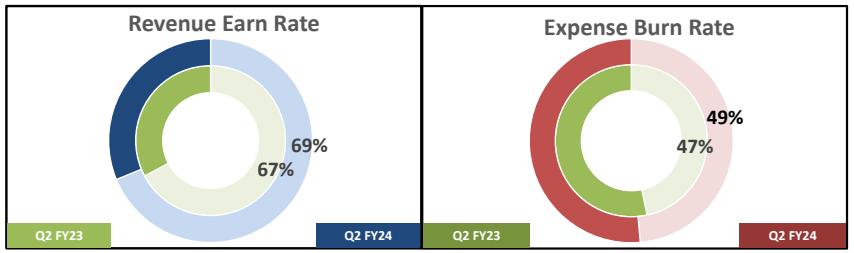
(13) **FY 2023-24 Total Other Resources (Uses) YTD Forecast** - Total Other Resources (Uses) is less than budgeted because of reduced transfers in of prior year Applied Computing and Rural Health Initiatives, as well as an increase in unbudgeted repair/maintenance projects.

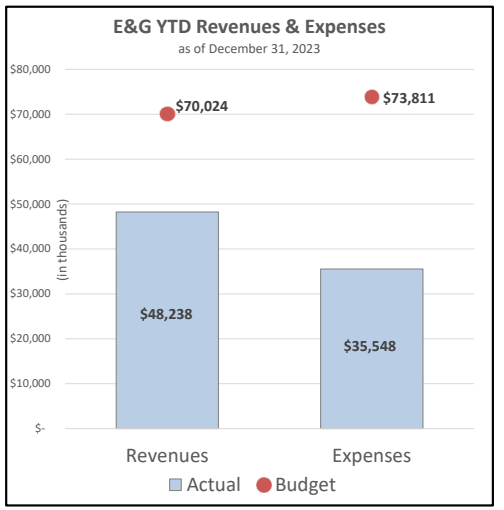


Oregon TECH

Quarterly Financial Dashboard

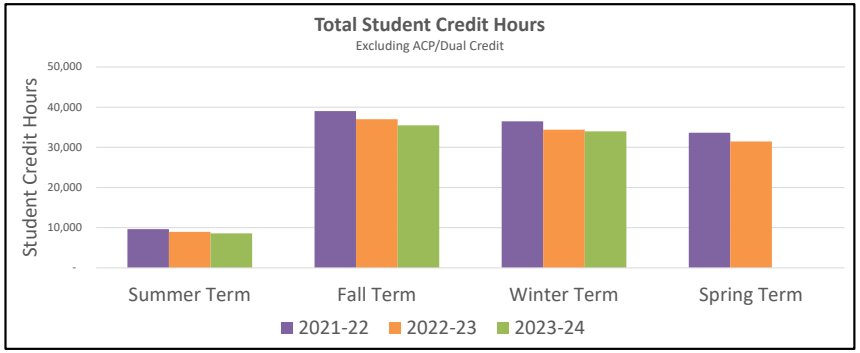
As of December 31, 2023

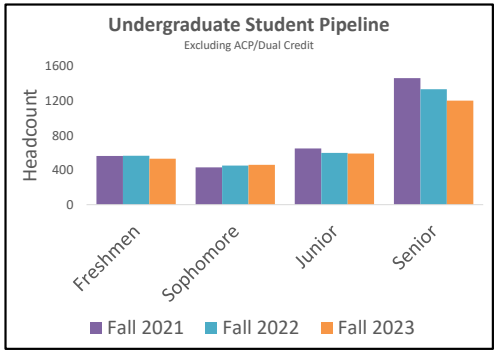




Key Financial Indicators		
E&G Fund Balance:	$29,168	As of December 31, 2023
Debt Burden Ratio:	3.34%	As of June 30, 2022
Quasi Endowment:	$6,762	As of Dec 31, 2023
Foundation Assets:	$41,583	As of June 30, 2023

Student Tuition		
Undergraduate Tuition		
	2022-23	2023-24
Resident:	$10,002	$10,492
Non-Resident:	$31,837	$33,397
WUE:	$15,003	$15,738
Online:	$13,230	$13,860
Differential:	37% Premium	37% Premium
Graduate Tuition		
	2022-23	2023-24
Resident:	$18,404	$19,306
Non-Resident:	$30,896	$32,409
Online (MS-AH):	$15,048	$15,768
Online (MS-ET):	$21,888	$22,968
Resident (DPT):	$20,827	$21,848
Non-Resident: (DPT):	$34,963	$36,677
Differential:	37% Premium	37% Premium





Degree Completions					
		2022-23	2021-22	2020-21	3 Year Δ
Undergraduate	Resident:	470	528	522	-10.0%
	Non-Resident:	193	237	244	-20.9%
Graduate	Resident:	17	25	31	-45.2%
	Non-Resident:	20	16	12	66.7%

Notes:

(1) Student tuition rates are shown at 15 credits per term for undergraduates and 12 credits per term for graduates.

FY2024 Q2 Investment Report

BACKGROUND

The Oregon Tech (university) investment report for the second quarter (Q2) of FY2024 is presented in the following sections:

- **FY2024 Q2 Oregon Tech Investment Report** – This section includes a report on the investments of the operating and endowment assets of the university. This report reflects the university's operating assets that are invested in the Public University Fund and the university's endowment assets managed by the Oregon State Treasury.

- **FY2024 Q2 Market Commentary** – This section provides a general discussion of the investment markets and related performance data for the second quarter of FY2024 (i.e., October 1 – December 31, 2023).

FY2024 Q2 OREGON TECH INVESTMENT REPORT

The schedule of Oregon Tech's investments is shown in the investment summary below.

Public University Fund

(Prepared by the Public University Fund Administrator)

Oregon Tech's operating assets are invested in the Public University Fund (PUF). As of December 31, 2023, OIT had $28.6 million on deposit in the PUF. The PUF increased 2.3% for the quarter and 3.5% fiscal year-to-date. The PUF's three-year and five-year average returns were 0.9% and 2.2%, respectively.

The Oregon Short-Term Fund increased 1.3% for the quarter and 2.4% fiscal year to date, underperforming its benchmark by 10 basis points and 30 basis points, respectively. The Core Bond Fund increased 4.6% for the quarter and 3.8% for the fiscal year, equal to its benchmark for the quarter and outperforming its benchmark by 10 basis points for the fiscal year. The PUF investment yield was 1.3% for the quarter and 2.3% fiscal year to date.

Investors cheered as the Federal Reserve signaled an end to the current rate increase regime and alluded to potential rate cuts during calendar 2024, moving bond prices higher. The Core Bond Fund's 18% allocation to structured credit, particularly mortgage-backed securities, supported the Fund's strong performance during the quarter. The Fund's investment officers initiated positions in corporate bonds within the financial sector during the period, given the rising expectations that interest rates have peaked for this current rate cycle.

Oregon Tech Quasi-Endowment Fund

The Oregon Tech Quasi-Endowment assets increased 4.6% for the quarter and 3.8% fiscal year-to-date. The Oregon Intermediate-Term Pool performance was in line with its benchmark for the quarter. The Endowment assets were valued at $6.8 million, as of December 31, 2023.

Oregon Tech

Investment Summary
as of December 31, 2023

(Net of Fees)

	Quarter Ended 12/31/2023	Current Fiscal YTD	Prior Fiscal YTD	3 Yr Avg	5 Yr Avg	10 Yr Avg	Market Value	Actual Asset Allocation	Policy Allocation Target
OIT Operating Assets Invested in Public University Fund									
Oregon Short - Term Fund	1.3%	2.4%	1.0%	2.1%	2.0%	1.6%	$ 7,436,386	26.0%	[1]
Benchmark - 91 day T-Bill	1.4%	2.7%	1.3%	2.2%	1.9%	1.3%			
PUF Core Bond Fund	4.6%	3.8%	-1.4%	-0.8%	2.1%	N/A	21,153,464	74.0%	[1]
Benchmark - Bloomberg Barclays Intermediate U.S. Gov't./Credit Index[2]	4.6%	3.7%	-1.6%	-1.6%	1.5%	2.0%			
Public University Fund Total Return	2.3%	3.5%	-0.5%	0.9%	2.2%	N/A	$ 28,589,850	100.0%	
Public University Fund Investment Yield[3]	1.3%	2.3%	1.4%	2.6%	2.7%	N/A			
OIT Endowment Assets									
Oregon Intermediate-Term Pool	4.6%	3.8%	-1.5%	-0.9%	2.0%	N/A	$ 6,761,538	100.0%	
Benchmark - Bloomberg Barclays Intermediate U.S. Gov't./Credit Index[4]	4.6%	3.7%	-1.6%	-1.6%	1.3%	1.4%			

[1] The Public University Fund (PUF) policy guidelines define investment allocation targets based upon total participant dollars committed. Core balances in excess of liquidity requirements for the participants are available for investment in the Core Bond Fund. Maximum core investment allocations are determined based upon anticipated average cash balances for all participants during the fiscal year.

[2] 100% Bloomberg Barclays Intermediate U.S. Gov't./Credit Index as of February 1, 2021. From April 1, 2017 to January 31, 2021, the benchmark was 75% Bloomberg Barclay's Aggregate 3-5 Years Index, 25% Bloomberg Barclay's Aggregate 5-7 Years Index.

[3] The reported investment yield for the quarter and fiscal year-to-date represent earned yields for the period and are not annualized rates.

[4] 100% Bloomberg Barclays Intermediate U.S. Gov't./Credit Index as of January 1, 2021. From June 1, 2015 to December 31, 2020 the benchmark was Bloomberg Barclays 3-5 Year U.S. Aggregate Index.

Note: Outlined returns underperfomed their benchmark.

Oregon Short Term Fund

December 31, 2023

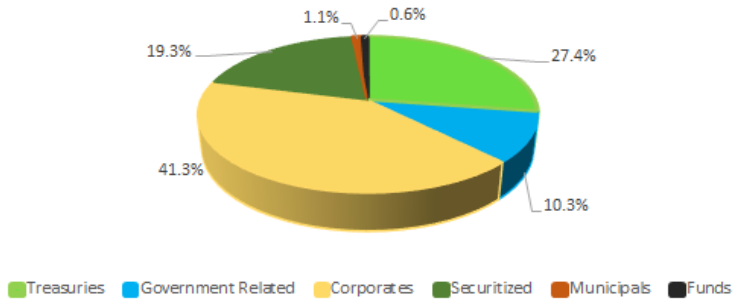
Portfolio Characteristics

Market Value 12/31/2023	$ 135,757,928
Weighted Average Credit Quality	AA
Book Yield (%)	5.04%
Weighted Average Maturity (years)	127 Days
Duration (years)	0.31
Spread Duration (years)	0.58

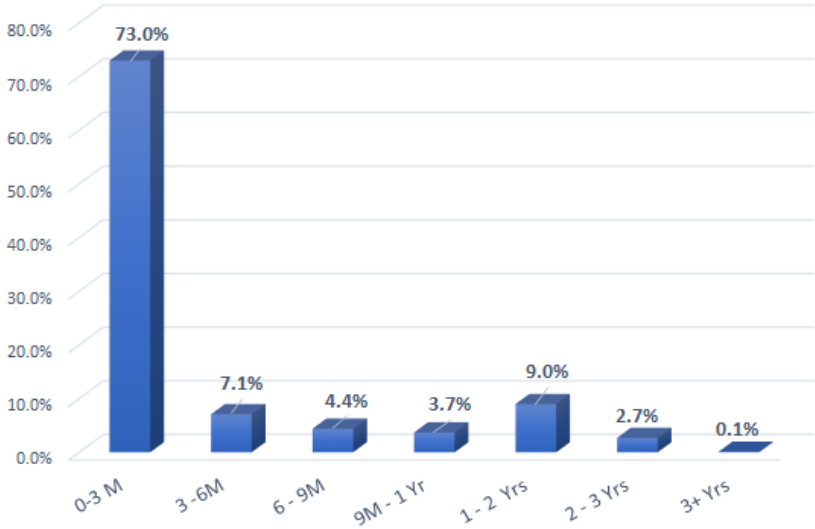
Top 10 Issuers

United States Treasury	27.4%
Royal Bank of Canada	2.0%
Canada Pension Plan Investment Board Capital Incorporated	2.0%
JPMorgan Chase & Company	1.9%
National Rural Utilities Cooperative Finance Corporation	1.8%
Federal Home Loan Banks	1.7%
American Honda Finance Corporation	1.6%
Bank of America Corporation	1.6%
Toyota Motor Credit Corporation	1.5%
CDP Financial Incorporated	1.3%
Total	**42.8%**

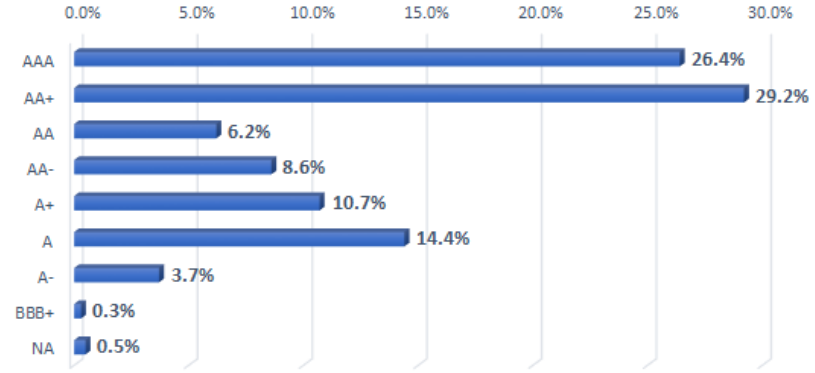
Sector Allocations



Maturity Breakdown



Credit Quality Distribution



Source: Oregon State Treasury

Core Bond Fund

December 31, 2023

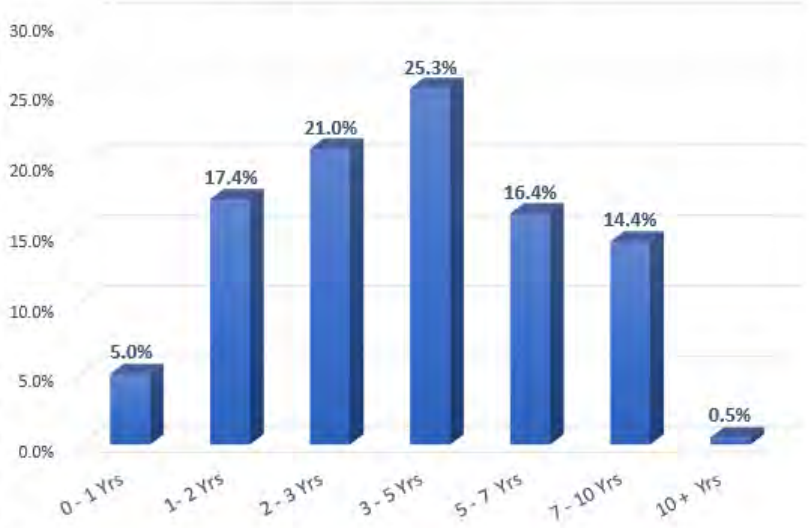
Portfolio Characteristics

Market Value 12/31/2023	$ 386,175,513
Weighted Average Credit Quality	AA-
Book Yield (%)	4.83%
Weighted Average Maturity (years)	4.46
Duration (years)	3.81
Spread Duration (rate)	1.72

Top 10 Issuers

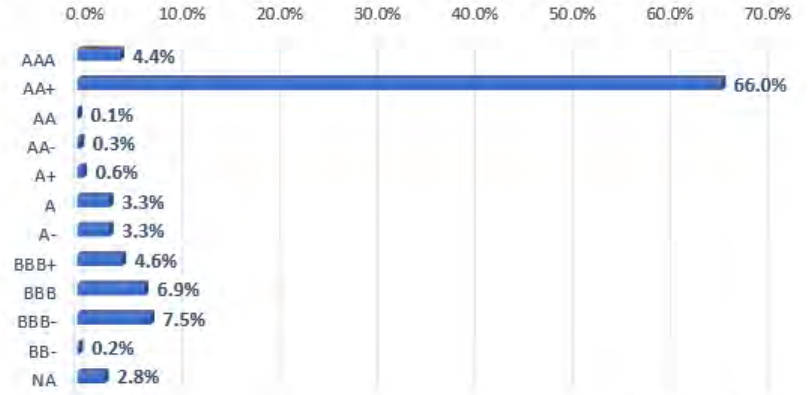
United States Treasury	55.9%
Federal Home Loan Mortgage Corporation	4.2%
Charles Schwab Corporation (The)	3.3%
Federal National Mortgage Association	2.5%
Rexford Industrial Realty Incorporated	2.5%
F&G Global Funding	2.4%
Agree Realty Corporation	2.4%
Gracie Point International Funding	1.7%
Oscar US Funding Trust	1.6%
Ford Credit Trust 22-C	1.6%
Total	**78.1%**

Maturity Breakdown



Sector Allocations

Credit Quality Distribution



Source: Oregon State Treasury

FY2024 Q2 MARKET COMMENTARY

(Prepared by Meketa Investment Group, consultants to the Oregon Investment Council)

Report on Investments – as of December 31, 2023

Economic and Market Update

Markets rallied during the fourth calendar quarter in anticipation of central bank policy rate cuts ahead in 2024.

- Major central banks have largely paused interest rates hikes. Markets are now largely expecting the Federal Open Market Committee (FOMC) to maintain interest rates at the current levels and begin cutting rates as soon as calendar Q1 2024.
- Inflation rose in December in the U.S. and Europe, but both finished the calendar year much lower than where they started. China remained in deflationary territory (-0.3%) at calendar year-end.
- U.S. equities (S&P 500 index) posted strong gains for the quarter (11.7%), raising full calendar year results to +26.3%. Most sectors rallied, driven by growth sectors.
- Non-U.S. developed equity markets also rallied in the fourth calendar quarter (Morgan Stanley Capital International (MSCI) Europe, Australasia, and Far East (EAFE) 10.4%), with the weakening of the U.S. dollar contributing meaningfully (10.4% versus 5.0% ex.-U.S. dollar influence). The performance difference between U.S. and international developed equities for the calendar year remained wide (26.0% versus 18.2%).
- Emerging market equities were up 7.9% in the fourth calendar quarter and 9.8% for calendar 2023 but trailed developed markets due to lagging returns in China (-4.2% Q4/-11.2% one-year). Emerging market equities ex.-China returned 20% in 2023.
- Interest rates generally fell in the fourth calendar quarter, particularly for longer-dated maturities. The broad U.S. bond market rallied (6.8%) for the quarter, lifting calendar year 2023 returns into positive territory (5.5%).

Looking to 2024, the paths of inflation and monetary policy, China's economic disorder and slowing economic growth, and the wars in Ukraine and Israel, will be key.

After a tough start to the quarter on lingering fears that the Federal Reserve might keep interest rates "higher for longer", markets rallied in November and December. Economic data generally coming in below expectations sparked expectations that the Federal Reserve might really be done raising policy rates for this cycle.

Strong results for the quarter built on gains for the year with all asset classes finishing in positive territory in calendar year 2023, except commodities.

Market Returns[1]
December 31, 2023

	Month	Quarter	YTD	1-Year	3-Year	5-Year	7-Year	10-Year
S&P 500	4.50%	11.70%	26.30%	26.30%	10.00%	15.70%	13.40%	12.00%
MSCI EAFE-ND	5.30%	10.40%	18.20%	18.20%	4.00%	8.20%	6.90%	4.30%
MSCI EM-ND	3.90%	7.90%	9.80%	9.80%	-5.10%	3.70%	5.00%	2.70%
MSCI China-ND	-2.40%	-4.20%	-11.20%	-11.20%	-18.40%	-2.80%	1.20%	0.90%
Bloomberg US Aggregate	3.80%	6.80%	5.50%	5.50%	-3.30%	1.10%	1.30%	1.80%
Bloomberg US TIPS	2.70%	4.70%	3.90%	3.90%	-1.00%	3.20%	2.50%	2.40%
Bloomberg US Corporate High Yield	3.70%	7.20%	13.40%	13.40%	2.00%	5.40%	4.60%	4.60%
ICE BofAML US 3-Month Treasury Bill	0.50%	1.40%	5.00%	5.00%	2.20%	1.90%	1.70%	1.30%
ICE BofAML 1-3 Year US Treasury	1.10%	2.50%	4.30%	4.30%	0.00%	1.30%	1.20%	1.10%
ICE BofAML 10+ Year US Treasury	8.10%	12.00%	2.80%	2.80%	-11.00%	-1.10%	0.10%	2.30%

[1]Source: Oregon State Treasury

U.S. Equities: U.S. equities had a strong final quarter of the calendar year, driven by expectations that rate cuts may be ahead in 2024. Small cap stocks outperformed their large cap peers for the quarter while growth outpaced value with the exception of small cap. Large cap stocks outperformed small cap stocks by a wide margin for the calendar year and growth outpaced value across market caps. Calendar year results were clearly driven by large cap technology stocks. Within the S&P 500 index, the "Magnificent 7" stocks generated more than 50% of the total gains.

All sectors posted gains for the fourth calendar quarter, except for energy (-7.2%) given crude oil's 19% price decline during the fourth calendar quarter. Technology (+16.2%) led the way for the quarter followed by financials (+14.6%). In calendar year 2023, technology (+64.7%) and consumer discretionary (+35.0%) sectors had the best results, helped respectively by artificial intelligence optimism and a healthy U.S. consumer. Traditionally defensive sectors like utilities (-7.8%) and consumer staples (-5.0%) trailed.

Foreign Equity: Optimism around lower inflation and potentially peaking and declining policy rates drove gains in the U.K. and Europe. Japan had weaker results for the quarter as concerns over a strengthening yen weighed on returns in December. Overall weakness in the U.S. dollar also contributed to quarterly and full calendar year results across developed markets.

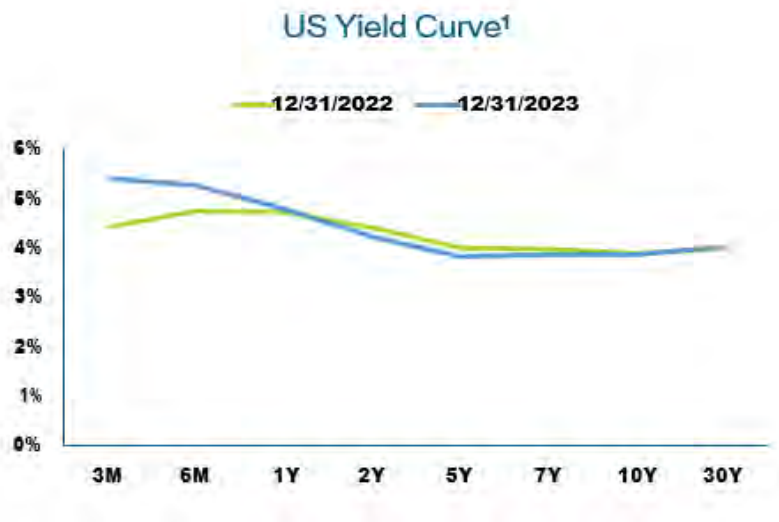
Emerging markets also experienced strong performance in the fourth calendar quarter but trailed developed markets. China weighed on relative results for the quarter and calendar year, declining 4.2% and 11.2%, respectively. Slowing growth, issues in the property sector, and on-going tensions with the U.S. all weighed on results.

Given the strong technology-driven rally last calendar year, the U.S. equity price-to-earnings ratio increased above its 21st century average. Fourth calendar quarter gains brought valuations to their highest level for the calendar year. International equity valuations also increased in the fourth quarter but remain below the U.S. In the case of developed markets, valuations finished the calendar year close to their long-term average, while emerging markets remained well below their average.

Fixed Income: Policy rate expectations swung from pessimism to optimism in November and December. Signs of the labor market cooling and improving inflation led investors to bring forward expectations for interest rate cuts to early 2024, leading to one of the best quarterly results in over twenty years.

The broad U.S. bond market (Bloomberg Aggregate) rallied 6.8% for the quarter, lifting full-year performance into positive territory (+5.5%). The broader Treasury Inflation-Protected Securities (TIPS) index rose 4.7% for the quarter and 3.9% for the calendar year, while the less interest-rate-sensitive short-term TIPS index rose 2.6% and 4.6% over the same periods.

High yield bonds rallied on better risk sentiment (+7.2%), as did emerging market bonds (+8.1%). Both asset classes produced double-digit results during calendar year 2023.



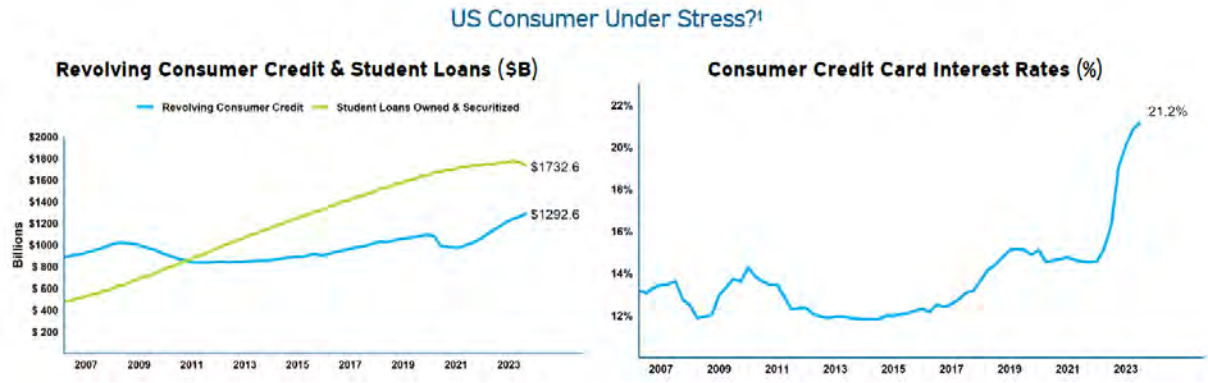
[1] Source: Bloomberg. Data is as of December 31, 2023.

For the quarter, two-year Treasury yields fell from 5.05% to 4.24% while ten-year Treasury yields declined from 4.56% to 3.88%. The yield curve remained inverted at calendar year-end despite a recent flattening trend. The spread between the 2-year and 10-year Treasury was -0.37% at the end of December.

Expectations of peaking policy rates and the corresponding increase in risk appetite benefited credit in the fourth calendar quarter with spreads (the added yield above a comparable maturity Treasury) narrowing. All spreads remain below their respective long run averages. High yield spreads continue to be the furthest below their long-term average given the overall risk appetite last year and lower duration. Investment-grade corporate and emerging market spreads are also below their respective long-term averages, but by smaller margins.

Year-over-year headline inflation rose from 3.1% to 3.4% in December, coming in above expectations of 3.2%. An increase in shelter (+6.2%) drove results, with food also increasing from a year prior (+2.7%) and energy prices falling (-2.0%). Month-over-month inflation came in at 0.3%, above expectations of 0.2% and the prior reading of 0.1%. Core inflation - excluding food and energy – declined in December (3.9% versus 4.0%) year-over-year, with shelter costs again driving the total core index increase. Inflation expectations (breakevens) have remained relatively stable despite the recent significant volatility in inflation.

Overall, the U.S. labor market remains healthy with the unemployment rate relatively low, wage growth now positive in real terms, and initial claims for unemployment staying subdued. In December, U.S. unemployment remained unchanged (3.7%) and came in slightly below expectations of an increase to 3.8%. The number of jobs added did come in above expectations (216k versus 175k) though with the most jobs added in the government, leisure and hospitality, and health care sectors.



[1] Source: Federal Reserve Economic Data. Data is as of September 2023. Revolving Consumer Credit data is seasonally adjusted to remove distortions during the holiday season.

Despite the strong labor market and higher wages, pressures have started to build on the U.S. consumer. This is an important consideration as consumer spending has been a key driver of economic growth. Revolving consumer credit surged to new highs in 2023 even as credit card interest rates hit levels not seen before (the prior peak was around 19% in the 1980s). The return of student loan repayments after a three-year pandemic-related reprieve could add to pressures on consumers' budgets. This might be partially mitigated by recently initiated repayment and forgiveness programs. As we look ahead, the strength of the U.S. consumer will remain key as this sector makes up most of the gross domestic economy (GDP).

[1] Source: Federal Reserve Economic Data. Data is as of December 2023. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

Slowing inflation and growth have led to expectations for a reduction in the pace of aggressive policy tightening. The Fed has been on hold since July 2023 when it raised rates to a range of 5.25%-5.50%. Markets are pricing in six rate cuts next year given the track of economic data and recent comments from the Fed, while the Fed itself is only predicting three. How this discrepancy is resolved will be key in calendar year 2024.

The European and U.K. central banks also recently paused their rate increases on slowing inflation. In Japan, the Bank of Japan (BOJ) has further relaxed its yield curve control on the 10-year bond, and expectations for further policy normalization are rising. The central bank in China has maintained interest rates at record low levels and continues to inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.

The U.S. dollar declined around 5% in the fourth calendar quarter as generally weaker economic data led investors to anticipate the end of FOMC tightening and interest rate cuts in 2024. Overall, the dollar finished the year only slightly below where it started but it was a volatile year for the U.S. currency as expectations related to monetary policy evolved.

Summary-Key Trends:

- The impact of inflation still above policy targets will remain important, with bond market volatility likely to stay high.
- Global monetary policies could diverge going forward. The risk of policy errors remains elevated as central banks try to further reduce inflation toward targets while not tipping their economies into recession. In the case of the U.S. the resolution of the disparity between market expectations for the path of interest rates versus the Fed's dot plot will be key.
- Global growth is expected to slow next year, with some economies forecasted to tip into recession. However, optimism has been building that certain economies could experience soft landings. Inflation, monetary policy, and geopolitical issues will remain key in 2024.
- U.S. consumers could feel pressure as certain components of inflation (e.g., shelter), remain high, borrowing costs are elevated, and the job market may weaken.
- A focus for U.S. equities going forward, will be whether earnings can remain resilient if growth continues to slow.
- Also, the future paths of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including the potential for China's economic slowdown and on-going weakness in the real estate sector that could spill over into key trading partners' economies. Japan's recent hint at potentially tightening monetary policy along with changes in corporate governance in the country could influence relative results.
- Recent, heightened tensions in Israel could add to overall uncertainty and drive safe haven flows.

FF&A Item 3.5

FINANCE AND FACILITIES COMMITTEE OF THE BOARD OF TRUSTEES / 4-10-2024

Oregon Tech's - Capital Projects Update

Thom Darrah | Director of Facilities & Capital Planning

FF&A Item 3.6

EideBailly

CPAs & BUSINESS ADVISORS

OREGON INSTITUTE OF TECHNOLOGY

Update on Internal Audit Plan

April 10, 2024

2024 INTERNAL AUDITS

Cybersecurity Risk Assessment

- Perform a cybersecurity risk assessment to identify security gaps related to the university's systems and data.
- Perform an external penetration test to identify weaknesses within the network configuration that could allow unauthorized and/or unsuspected access to the internal network.

Grant Management

- Assess university's grants management to ensure the effectiveness and efficiency of processes.
- Evaluate compliance with grant provisions and applicable federal, state, local and university regulations and best practice.
- Identify opportunities for the University to enhance and optimize its grant management activities.

Assessment of Oregon Innovation Manufacturing Center (OMIC) Operations

- Evaluate OMIC internal controls over fees, contracting, fiscal management processes, and grant management to ensure effective and efficient operations.
- Assess the OMIC business plan, including capital and equipment replacements and revenue initiatives.
- Evaluate OMIC operations for compliance with university provisions and regulations.

EideBailly

QUESTIONS?

This presentation is presented with the understanding that the information contained does not constitute legal, accounting or other professional advice. It is not intended to be responsive to any individual situation or concerns, as the contents of this presentation are intended for general information purposes only. Viewers are urged not to act upon the information contained in this presentation without first consulting competent legal, accounting or other professional advice regarding implications of a particular factual situation. Questions and additional information can be submitted to your Eide Bailly representative, or to the presenter of this session.

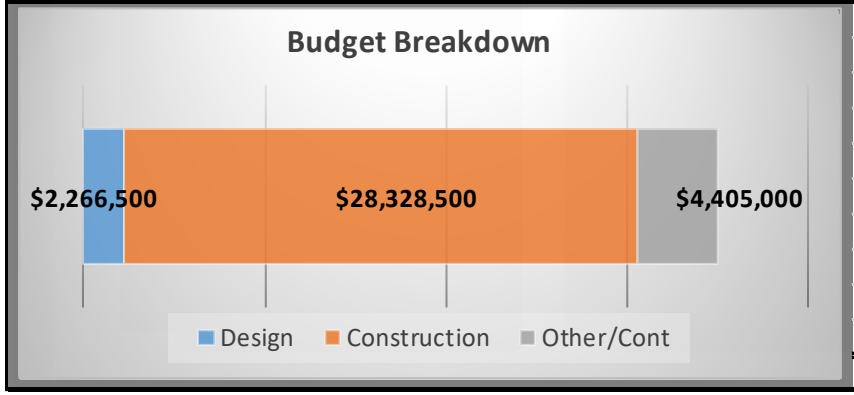
Presentation Outline

Capital Projects – Upcoming and Underway

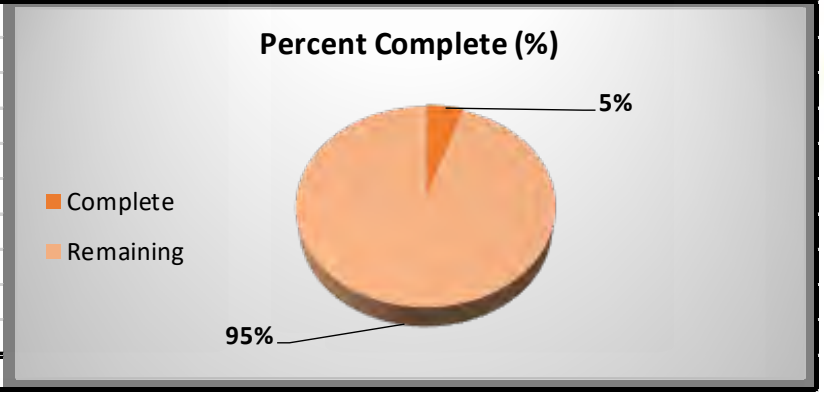
- New Student Housing
- Geothermal Systems Emergency Renovation
- Boivin Hall Traffic Improvements
- DPT Research Lab Renovation
- ABA Clinic Renovation

New Student Housing

New Student Housing (85,000 sq ft)							
Project Start: 4.01.2023				Project Completion: 8.30.2025			
Project	**Progress Highlights**	**Cost Breakdown**	**Orig. Budget**	**Rev. Budget**	**Cost To Date**	**%**	**Balance**
UPE822 / FNRESH	Visioning: January 2023 - February 2023						
Bond Type: XI-F 2022	Design: March 2023 - April 2024						
	Construction: May 2024 - August 2025	Visioning/Design (6%):	$ 2,231,400	$ 2,266,500	$ 981,510	43%	$ 1,284,990
	Project underway.	Construction (80%):	$ 28,000,000	$ 28,328,500	$ 757,625	3%	$ 27,570,875
Design: Mahlum Architects		Other (14%):	$ 4,768,600	$ 4,405,000	$ 36,010	1%	$ 4,368,990
CM/GC: BCI	Plan **Design** Bid Build Closeout	Project Totals:	$ 35,000,000	$ 35,000,000	$ 1,775,145	5%	$ 33,224,855



CO's / Amendments	
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
	$ -
Total:	$ -

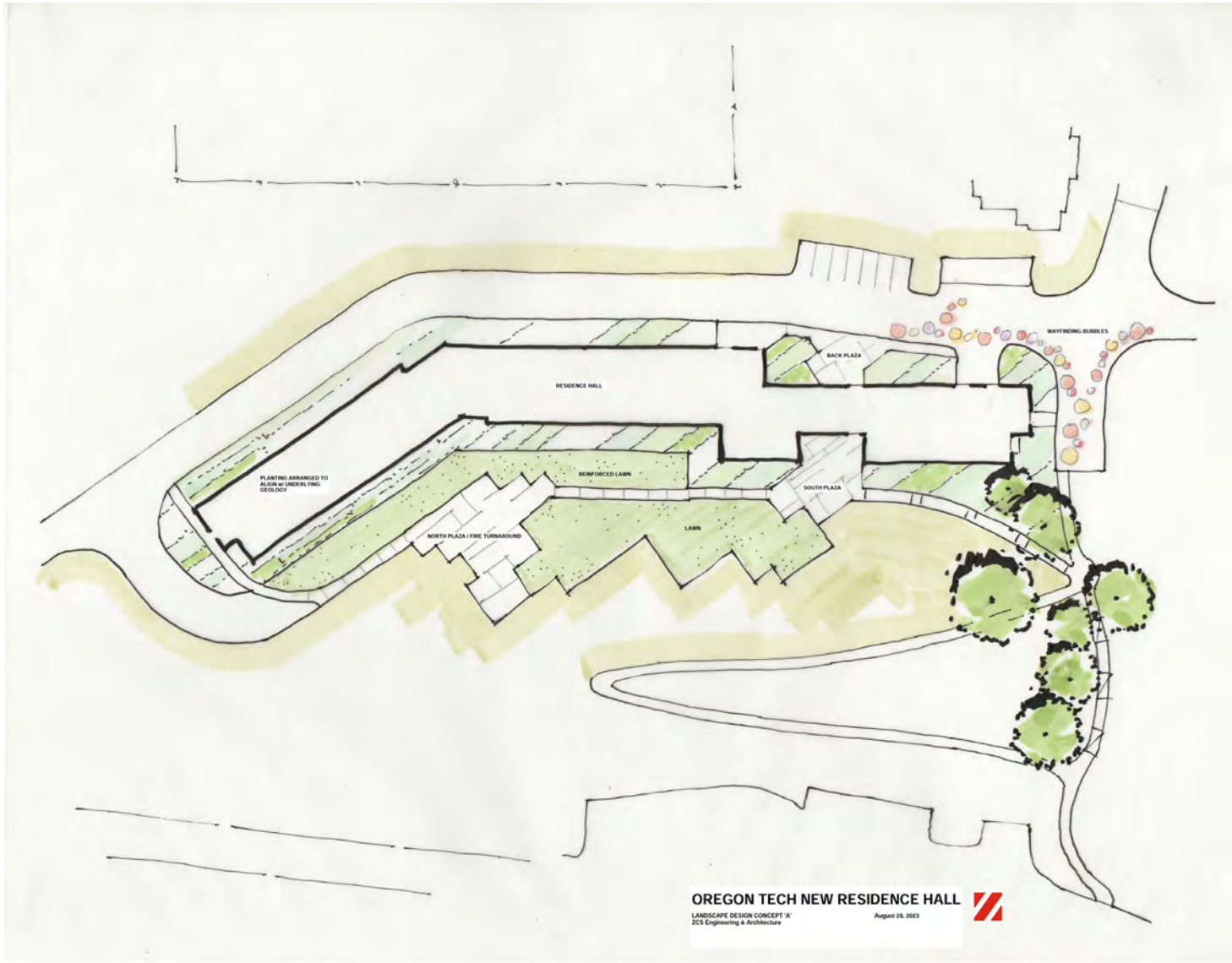


New Student Housing

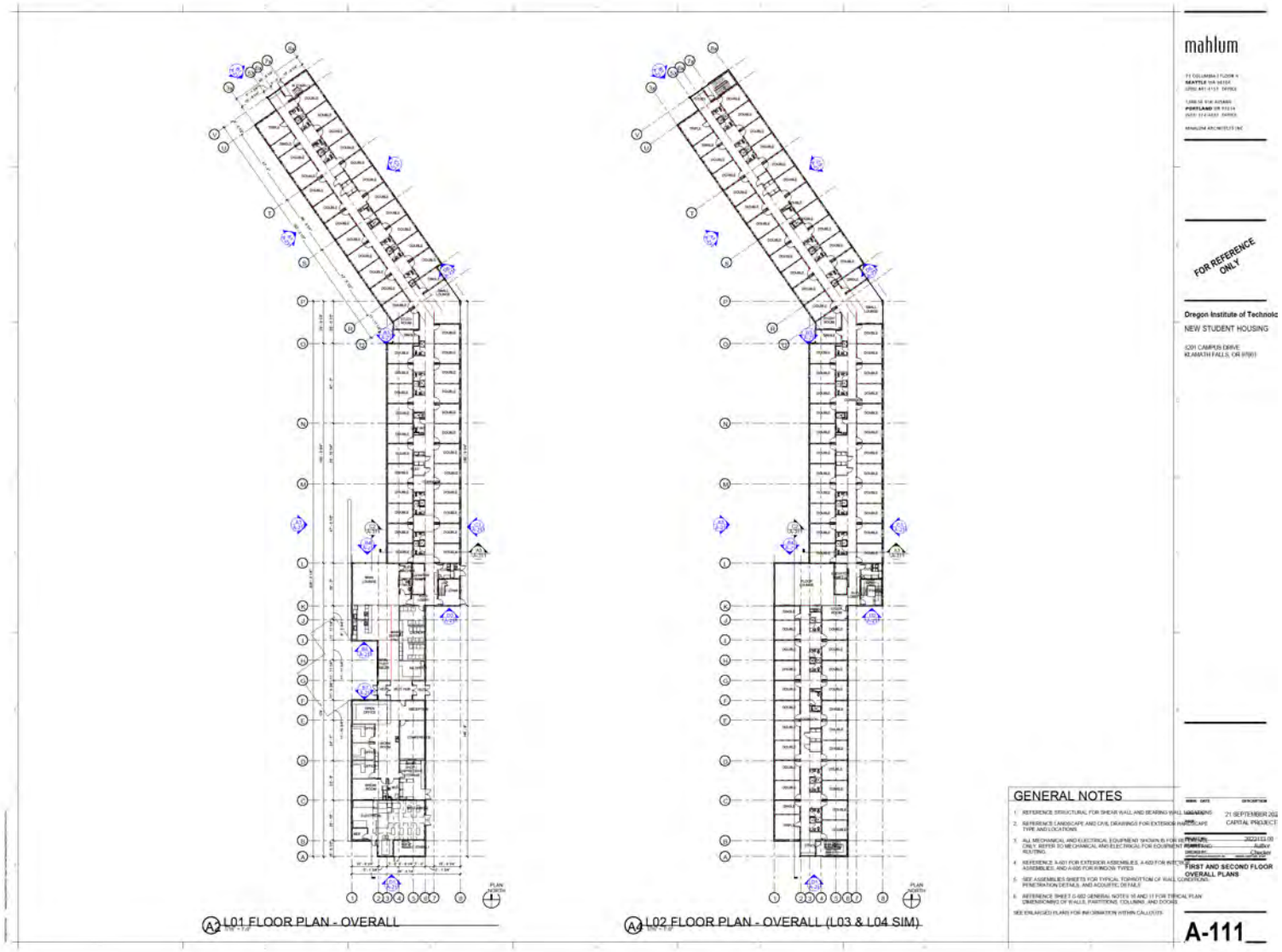
Extended Project Insights

- Early Procurement (CLT Panels): 2.12.2024
- Early Work: 4.15.24 through 6.07.2024
    1) Install erosion control.
    2) Setup project staging areas.
    3) Site demolition.
    4) Mass excavation and grading.
    5) Existing utilities adjustments.
- Project Design Completion: 4.12.2024
- Project Permitting: 4.15.2024 through 5.10.2024
- Project Bidding: 4.15.2024 through 5.31.2024
- Project Construction: 6.10.2024 through 8.29.2025
- Project Closeout: 9.01.2025 through 9.30.2024

New Student Housing



New Student Housing

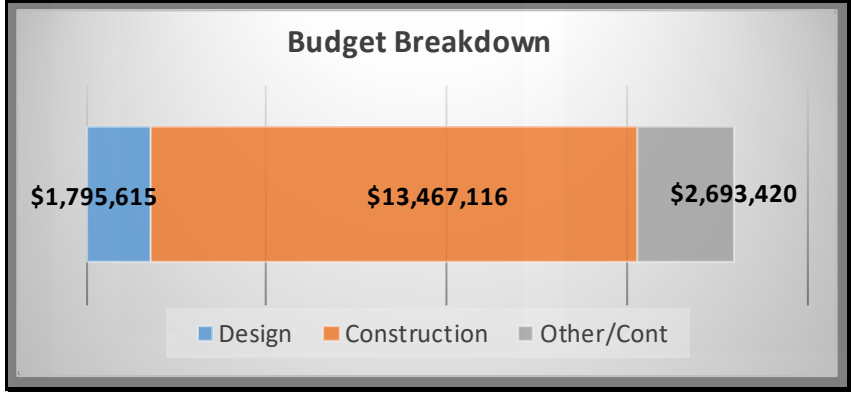


New Student Housing

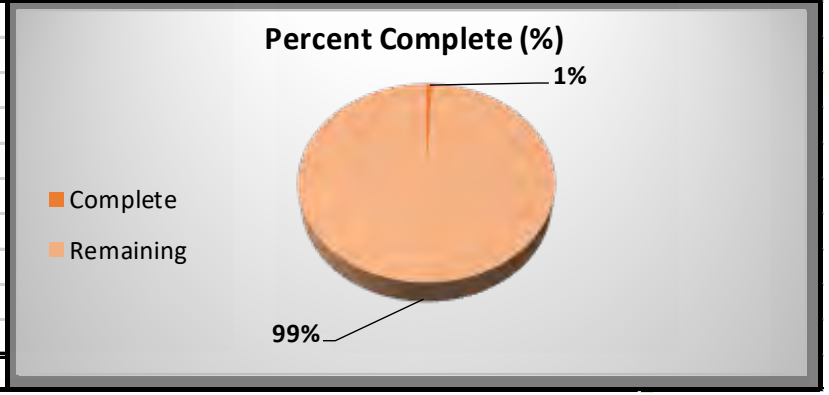
New Student Housing

Geothermal Systems Emergency Renovation

Geothermal Systems Emergency Renovation							
Project Start: 11.06.23					Project Completion: 11.14.2026		
Project	**Progress Highlights**	**Cost Breakdown**	**Orig. Budget**	**Rev. Budget**	**Cost To Date**	**%**	**Balance**
UPE: TBD	Design: Underway						
	Construction: Pending						
		Design (10%):	$ 1,795,615	$ 1,795,615	$ 133,813	7%	$ 1,661,802
	Project underway.	Construction (75%):	$ 13,467,116	$ 13,467,116	$ -	0%	$ 13,467,116
Design: AES		Other (15%):	$ 2,693,420	$ 2,693,420	$ -	0%	$ 2,693,420
CM/GC: BCI	Plan | **Design** | Bid | Build | Closeout	Project Totals:	$ 17,956,151	$ 17,956,151	$ 133,813	1%	$ 17,822,338



CO's / Amendments	
	$ -
Total:	$ -

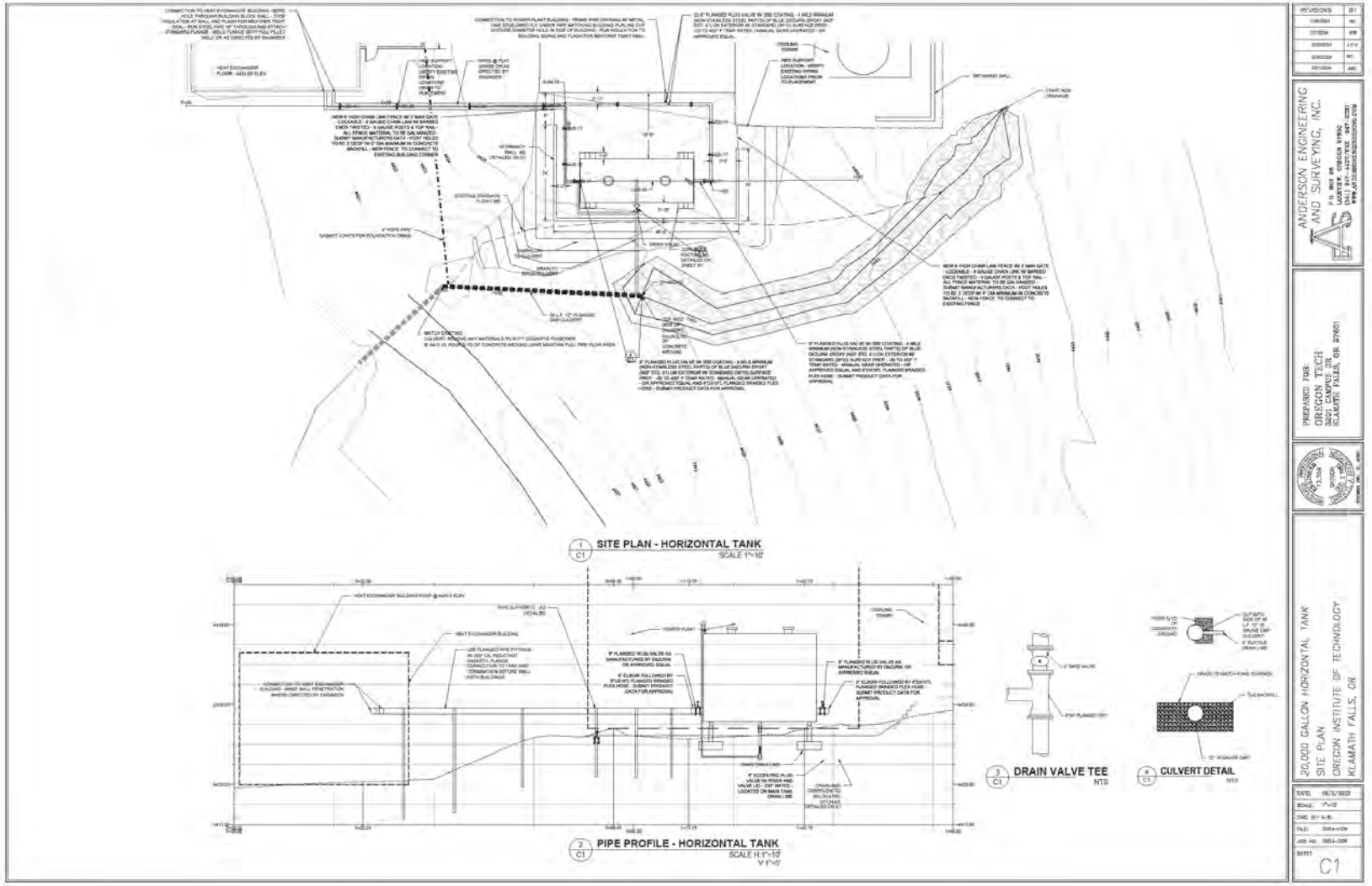


Geothermal Systems Emergency Renovation

Extended Project Insights

- Project is made up of five phases.
- Phase 1 - Geo HX Building Renovation
  - Construction for new geo storage tank underway.
  - HX building design complete.
  - Permitting underway.
  - Bidding underway.
- Phase 2 - Geo Distribution Piping
  - Design underway.
  - Early procurement of direct bury piping underway.

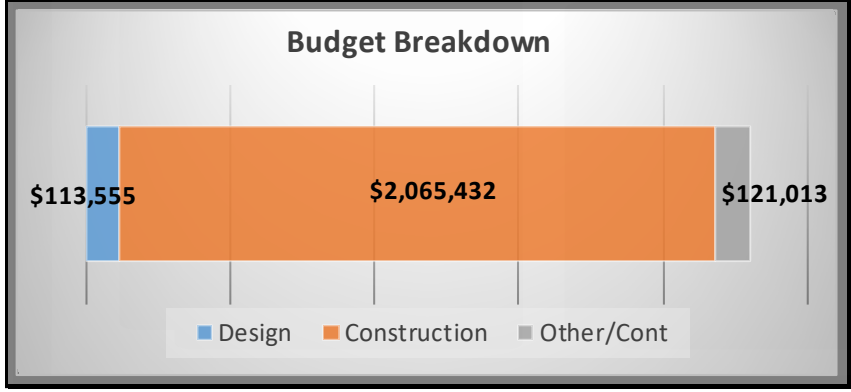
Geothermal Systems Emergency Renovation



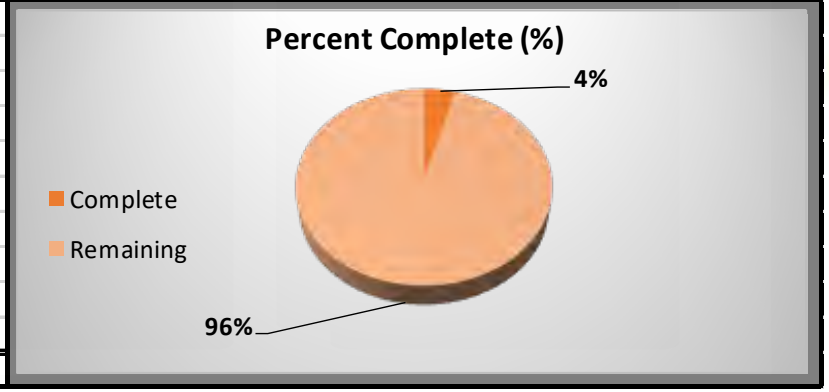
Geothermal Systems Emergency Renovation

Boivin Hall Traffic Improvements

Boivin Hall Traffic Improvements										
Project Start: 5.01.24						Project Completion: 8.31.24				
Project	**Progress Highlights**					**Cost Breakdown**	**Orig. Budget**	**Rev. Budget**	**Cost To Date**	**%**	**Balance**
UPE	Design:Complete										
UPE803	Construction: May 2024 - Aug. 2024										
UPE805						Design (5%):	$ 60,000	$ 113,555	$ 96,676	85%	$ 16,879
	Project underway.					Construction (85%):	$ 1,714,600	$ 2,065,432	$ -	0%	$ 2,065,432
Design: ZCS						Other (10%):	$ 225,400	$ 121,013	$ 3,084	3%	$ 117,929
Build: BCI	Plan	Design	Bid	**Build**	Closeout	Project Totals:	$ 2,000,000	$ 2,300,000	$ 99,760	4%	$ 2,200,240



CO's / Amendments	
ZCS: Amd. 1	$ 25,400
ZCS: Amd. 2	$ 28,155
	$ -
Total:	$ 53,555

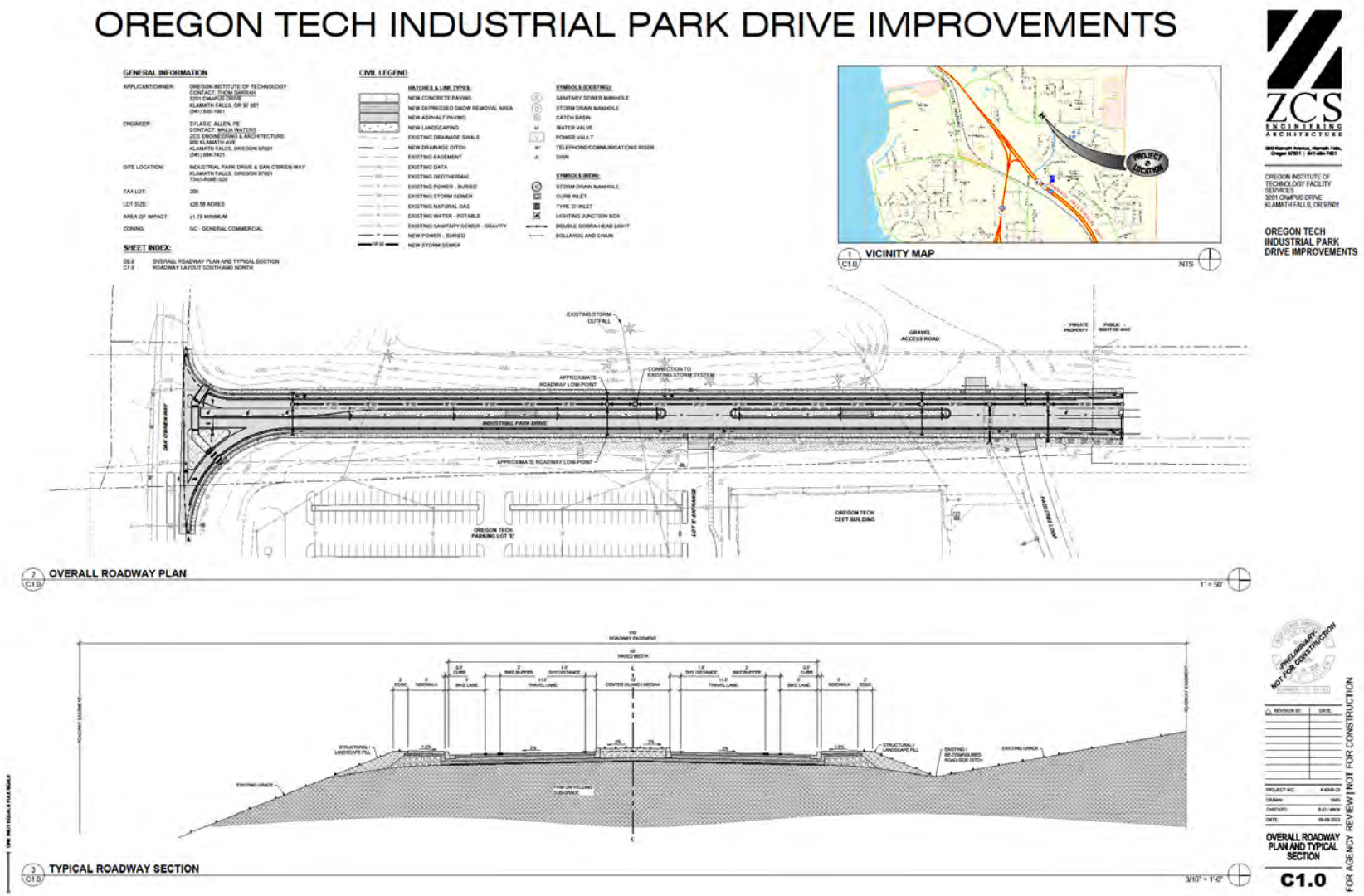


Bovin Hall Traffic Improvements

Extended Project Insights

- Early Procurement: Contractor will be ordering all storm system materials and site lighting to have on hand prior to June 2024.
- Project Construction: NTP June 17, 2024
- Project Completion: August 30, 2024

Bovin Hall Traffic Improvements



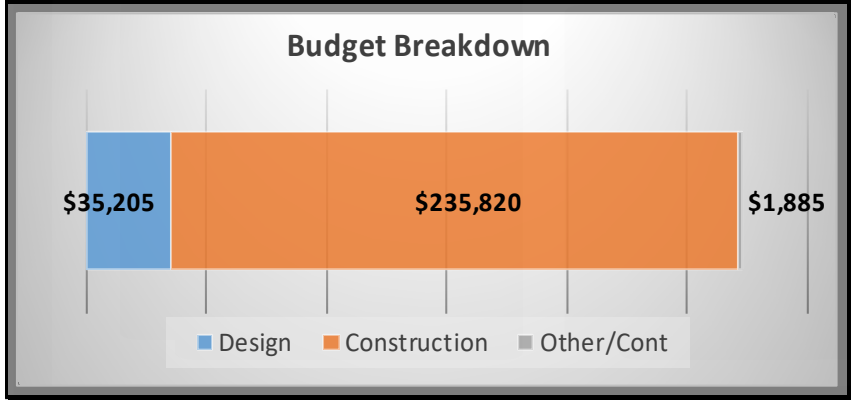
Bovin Hall Traffic Improvements

Bovin Hall Traffic Improvements

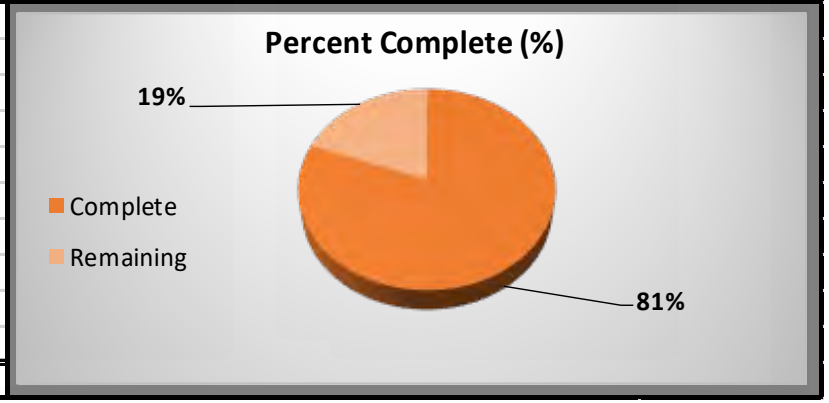
Bovin Hall Traffic Improvements

DPT Research Lab Renovation

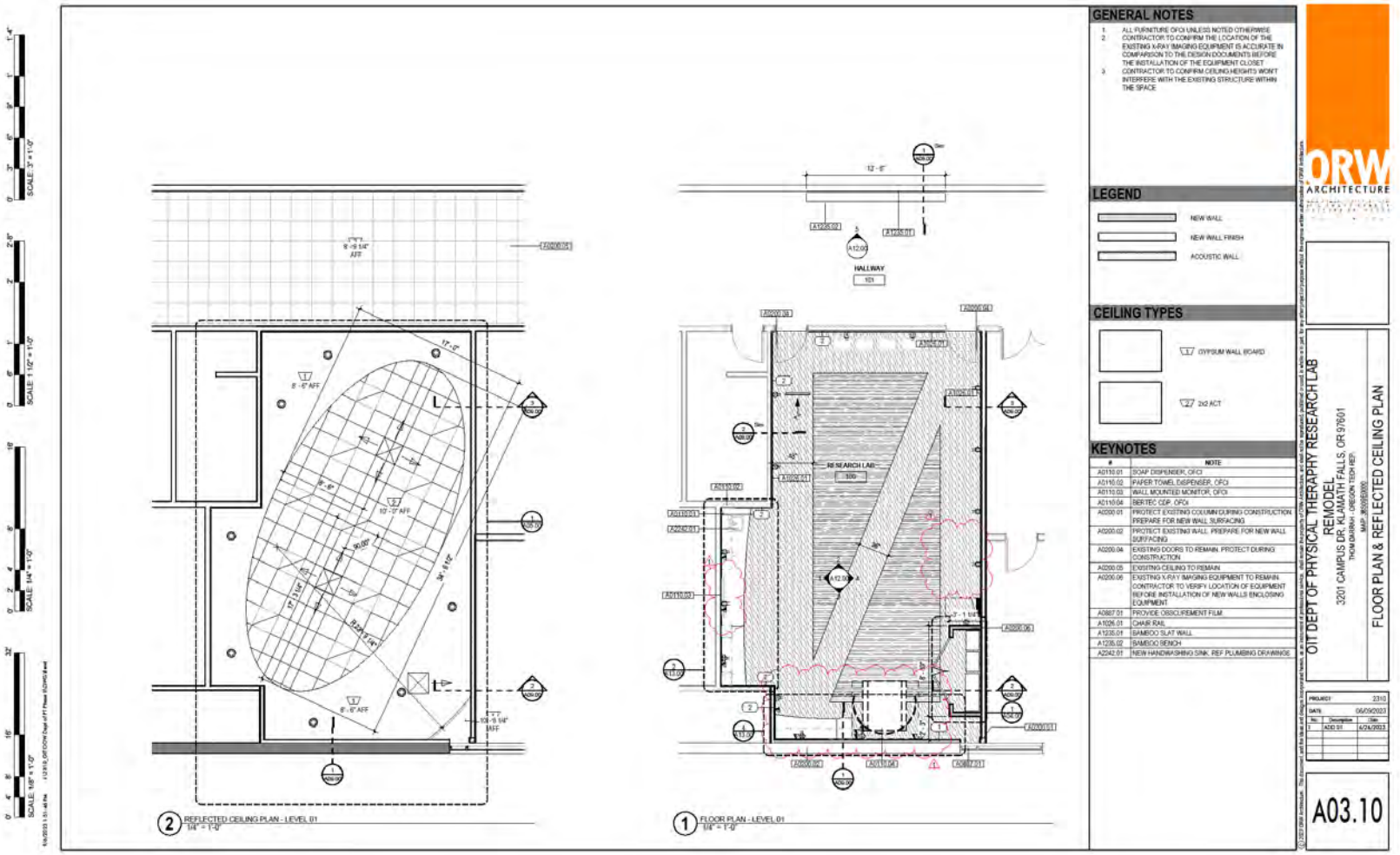
DPT Research Lab Renovation (1,000 sq ft)												
Project Start: 9.01.23						Project Completion: 3.31.24						
Project	**Progress Highlights**					**Cost Breakdown**	**Orig. Budget**	**Rev. Budget**	**Cost To Date**	**%**	**Balance**
DPT430-DPT-FDN Gifts	Design: 100% Complete										
	Construction: Sept. 2023 - Mar. 2024										
						Design (13%):	$ 35,205	$ 35,205	$ 31,685	90%	$ 3,520
	Project construction underway.					Construction (78%):	$ 212,894	$ 235,820	$ 188,655	80%	$ 47,165
Design: ORW						Other (9%):	$ 24,811	$ 1,885	$ -	0%	$ 1,885
Build: DCI	Plan	Design	Bid	**Build**	Closeout	Project Totals:	$ 272,910	$ 272,910	$ 220,340	81%	$ 52,570



CO's / Amendments	
DCI: CO 1	$ 11,084
DCI: CO 2	$ 4,912
DCI: CO 3	$ -
DCI: CO 4	$6,930
	$ -
Total:	$ 22,926



DPT Research Lab Renovation

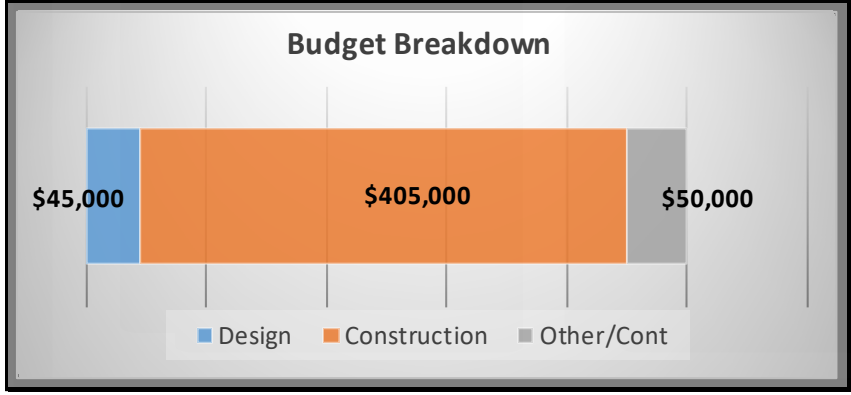


DPT Research Lab Renovation

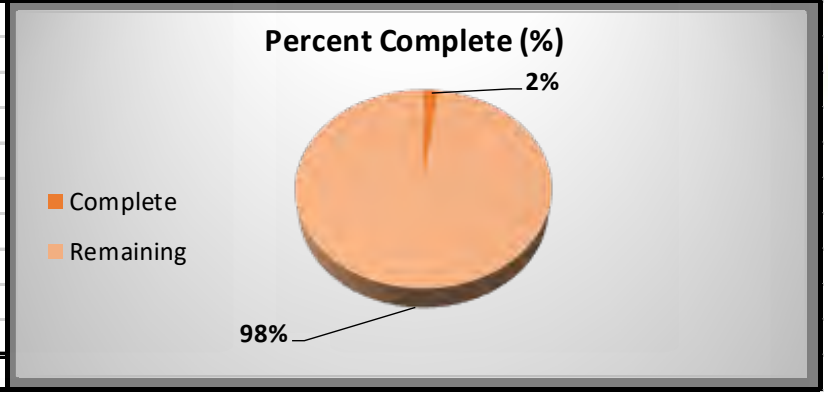
DPT Research Lab Renovation

ABA Clinic Renovation

ABA Clinic Renovation (5,000 sq ft)										
Project Start: 10.02.23						Project Completion: TBD				
Project	**Progress Highlights**					**Cost Breakdown**	**Orig. Budget**	**Rev. Budget**	**Cost To Date**	**%**	**Balance**
UPE824	Design: Complete										
	Construction: Pending										
						Design (9%):	$ 45,000	$ 45,000	$ -	0%	$ 45,000
	Project design underway.					Construction (81%):	$ 405,000	$ 405,000	$ -	0%	$ 405,000
Design: SDRA						Other (10%):	$ 50,000	$ 50,000	$ 10,000	20%	$ 40,000
Build: TBD	Plan	**Design**	Bid	Build	Closeout	Project Totals:	$ 500,000	$ 500,000	$ 10,000	2%	$ 490,000



CO's / Amendments	
	$ -
Total:	$ -

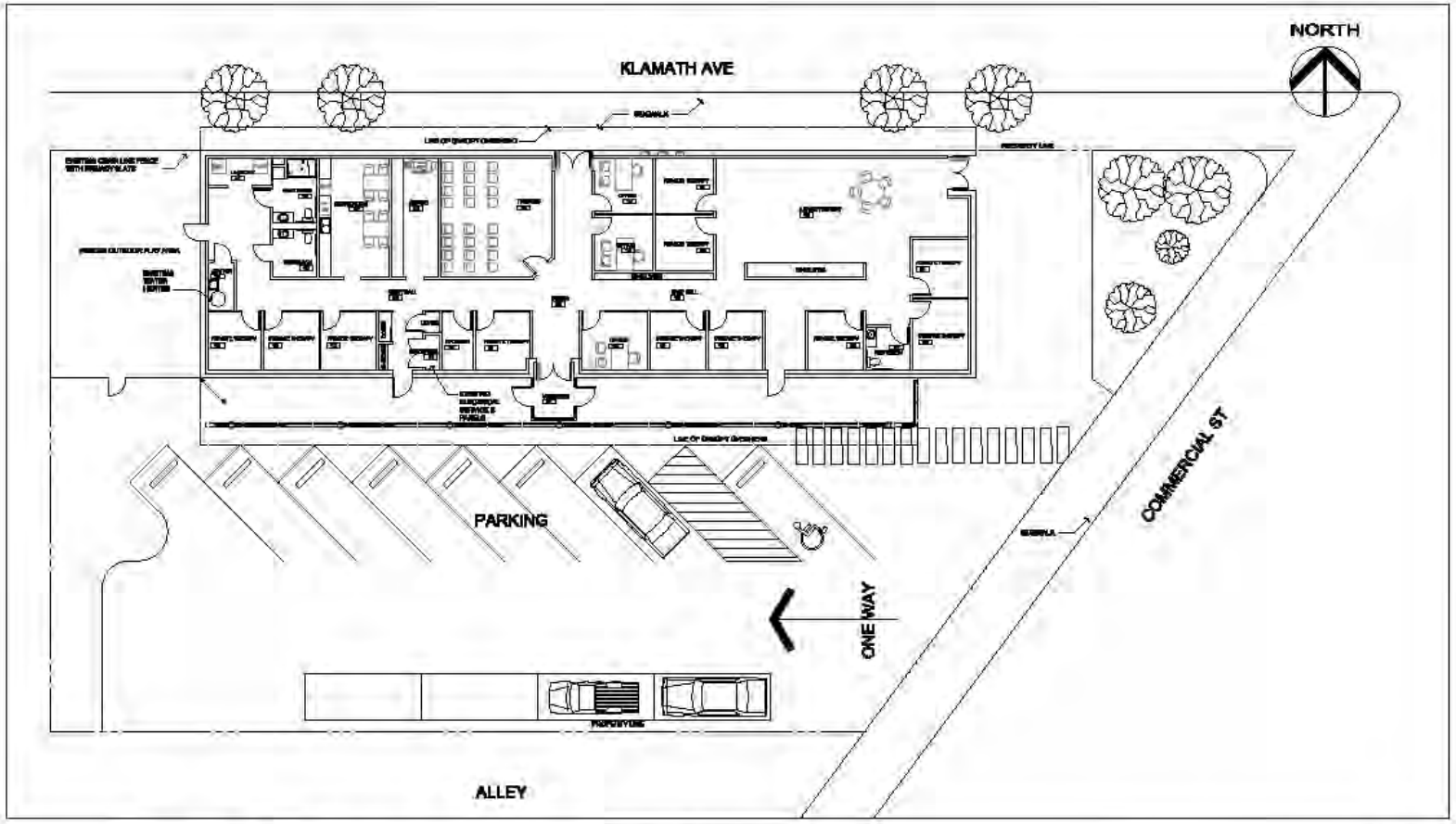


ABA Clinic Renovation

Extended Project Insights

- Project Design Completion: March 29, 2024
- Project Permitting: April 2024
- Project Construction – Anticipated Start: May 20,2024
- Project Completion: November 29, 2024

ABA Clinic Renovation



OREGON TECH
APPLIED BEHAVIOR ANALYSIS
CLINIC

1 FLOOR PLAN

Soderstrom Architects | A1

10/25/23

Contact Information

Thom Darrah, Director of Facilities

Phone: 541.885.1661

Email: Thom.Darrah@oit.edu

ACTION

Agenda Item No. 4.1

FY 2023 Annual Financial Report

Background

The Oregon Tech FY 2023 Annual Financial Report was prepared by Oregon Tech in conjunction with the University Shared Services Enterprise (USSE). The audit opinion issued by CliftonLarsonAllen LLP (CLA) is an unmodified (clean) opinion. This audit opinion is attached via link below.

CLA has prepared a Governance Communication Letter to communicate certain matters related to the conduct of the audit to those who have responsibility for oversight of the financial reporting process. The Governance Communication Letter (Attachment A) and Management Representation Letter (Attachment B) are attached below.

CLA has issued an unmodified (clean) opinion on Oregon Tech's FY 2023 Annual Financial Report.

The FY 2023 Annual Financial Report can be found at the following link https://www.oit.edu/finance-administration/annual-financial-report. Printed copies will be provided to all members of the Board of Trustees.

Staff Recommendation

After review of the FY 2023 Annual Financial Report, staff requests a **Motion to the full Board recommending approval of the Oregon Tech FY 2023 Annual Financial Report and Audit.**

Attachments

Attachment A- Oregon Tech FY 2023 Governance Communication Letter
Attachment B- Oregon Tech FY 2023 Management Representation Letter

CliftonLarsonAllen LLP
CLAconnect.com

Members of the Board
Oregon Institute of Technology
Klamath Falls, Oregon

We have audited the financial statements of the business-type activities and the discretely presented component unit of Oregon Institute of Technology as of and for the year ended June 30, 2023, and have issued our report thereon dated March 27, 2024. Our report made reference to other auditors who audited the discretely presented component unit. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit in our Engagement Agreement dated June 22, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Oregon Institute of Technology are described in Note 1 to the financial statements.

As described in Note 1, the University adopted the requirements of Governmental Accounting Standards Board (GASB) Statements No. 96, *Subscription-Based Information Arrangements (SBITA)* and No. 94 *Public-Private and Public-Public Partnerships (PPP) and Availability Payment Arrangements (APA)*, during the fiscal year ending June 30, 2023. Accordingly, these accounting change have been applied to the beginning of the earliest comparative period presented.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the allowance for uncollectible receivables is based on historical collection rates.

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- Oregon Public Employees Retirement System (PERS) net pension asset/liability and related deferred inflows and outflows are recognized based on estimated actuarial data provided by PERS. The University is allocated a percentage of this liability determined by the state of Oregon's Department of Administrative Services (DAS) and this allocated percentage is then reviewed by the Secretary of State Audits Division.

- Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from 5 to 50 years.

- Oregon Public Employees Retirement System (PERS) net other postemployment benefit (OPEB) liabilities and the Public Employees' Benefit Board (PEBB) OPEB liability, and related deferred inflows and outflows, are recognized based on estimated actuarial data provided by PERS and PEBB. The University is allocated a percentage of this liability determined by the State of Oregon's Department of Administrative Services (DAS) and this allocated percentage is then reviewed by the Secretary of State Audits Division.

- Compensated absences and related personnel expenses are recognized based on estimated balances due to employees for vacation and sick leave. The limitations on such payments are defined by the rules associated with the personnel systems at Oregon Institute of Technology.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures. The financial statement disclosures are neutral, consistent, and clear

Significant unusual transactions

We identified no significant unusual transactions.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has determined that the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The following summarizes uncorrected misstatements of the financial statements:

1. *Higher Education Emergency Relief Funding (HEERF) Grant Revenue Recognition*: Amongst other compliance requirements, there are barriers to entry regarding revenue recognition as part of the grant agreement with the Department of education for the HEERF Institutional grant appropriations. Institutions are only eligible to recognize revenue in proportion to the expending/recognition of the HEERF Student funding. The University recognized HEERF Institutional funding in excess of the HEERF Student recognition during the year end June 30, 2022, by approximately $492,000 which should be revenue during the year end June 30, 2023. The passed audit adjustment during the year-end June 30, 2023, would be an increase to Higher Education Emergency Relief Funding Grant Revenue by $492,000 and a decrease to net position by $492,000.

Uncorrected misstatements or the matters underlying uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if management has concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

Corrected misstatements

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

The following immaterial misstatement detected as a result of audit procedures was corrected by management:

- Accrued payroll at June 30, 2023 was over accrued for contracted faculty by $710,688. An entry was booked to decrease payroll expense and payroll liability at year end by the amount noted.

- Reclassify Federal Grant revenue incorrectly included as State grant revenue by $446,912. An entry was booked to increase federal grant revenue and decrease state grant revenue.

- Correct OMIC membership in-kind revenue that was not recorded by management. And entry was proposed to increase auxiliary revenue by $575,040 and increase auxiliary operating expenses.

- Reclassify the current portion of the SBITA liability by $255,000. An entry was booked to increase the current portion of long-term debt and decrease the long-term portion of long term debt.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Circumstances that affect the form and content of the auditors' report

As previously communicated to you, the report was modified to include an emphasis-of-matter paragraph in our auditors' report reflecting the adoption and implementation of GASB Statement No. 96.

Management representations

We have requested certain representations from management that are included in the management representation letter dated March 27, 2024.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these

discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Audits of group financial statements

We noted no matters related to the group audit that we consider to be significant to the responsibilities of those charged with governance of the group.

Limitations on the group audit

There were no restrictions on our access to information of components or other limitations on the group audit.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the schedule of expenditures of federal awards (SEFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA to determine that the SEFA complies with the requirements of the Uniform Guidance, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated March 27, 2024.

Other information included in annual reports

Other information (financial or nonfinancial information other than the financial statements and our auditors' report thereon) is being included in your annual report and is comprised of Oregon Tech Board of Trustees and Oregon Tech Executive Officers and the Message from the President. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

* * *

This communication is intended solely for the information and use of the Members of the Board and management of Oregon Institute of Technology and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Denver, Colorado
March 27, 2024

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Attachment B- Management Representation Letter

Oregon TECH
Oregon Institute of Technology

FINANCE AND ADMINISTRATION
John Harman, MBA, CGMA, CMPE Vice President
3201 Campus Drive, Klamath Falls, OR 97601
541.885.1105 (Office) john.harman@oit.edu

March 27, 2024

CliftonLarsonAllen LLP
8390 East Crescent Parkway, Suite 600
Greenwood Village, CO 80111

This representation letter is provided in connection with your audits of the financial statements of Oregon Institute of Technology (the University), which comprise the respective financial position of the business-type activities and the discretely presented component unit as of June 30, 2023 and 2022,, and the respective changes in financial position and, where applicable, cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to misstatements that are material. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm, to the best of our knowledge and belief, as of March 27, 2024, the following representations made to you during your audits of the financial statements as of and for the years ended June 30, 2023 and 2022.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement agreement dated June 22, 2023, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. The financial statements include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.

2. We acknowledge and have fulfilled our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

4. Methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures, including those measured at fair value, are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.

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5. Significant estimates have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Significant estimates are estimates at the financial statement date that could change materially within the next year.

6. Related party relationships and transactions, including, but not limited to, revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

7. All events occurring subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit. The only uncorrected adjustment was related to Oregon Institute of Technology basic financial statements and was related to the recognition of Federal Grant Revenue in the amount of $492,000 that was recognized during the year June 30, 2022, however should have been deferred and recognized in June 30, 2023. The passed adjusting entry would be to reduce net position by $492,000 and increase Federal Grant revenue by $492,000. No uncorrected misstatements were reported for any other reporting unit.

9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

10. Guarantees, whether written or oral, under which the entity is contingently liable, if any, have been properly recorded or disclosed in accordance with U.S. GAAP.

11. Arrangements with financial institutions involving repurchase, reverse repurchase, or securities lending agreements, compensating balances, or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements, have been properly recorded or disclosed in the financial statements (as applicable).

12. Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the financial statement date and have been reduced to their estimated net realizable value.

13. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.

14. We have analyzed all lease contracts and have considered and recorded material embedded leases contained within other contracts in accordance with U.S. GAAP.

15. We have implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* and GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements,* during the audit period. We have implemented the new accounting standards in accordance with the transition guidance prescribed in the standards. We have sufficient and appropriate documentation supporting all estimates and judgments underlying the amounts recorded and disclosed in the financial statements.

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16. We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

17. Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility. The University has disclosed the temporary impairment of the geothermal plant due to being out of service for repairs at year end. For other assets, impairment loss and insurance recoveries have been properly recorded, if applicable.

18. We believe that all material expenditures that have been recorded as prepaid expenses and deferred outflows will be recoverable in future periods.

19. We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefits (OPEB) liabilities and costs for financial accounting purposes are appropriate in the circumstances.

20. We are not aware of any potential or frequent changes to the State of Oregon pension and other postretirement benefit plans for which the University is a participant.

21. We believe we have appropriately reported and disclosed the effect of the GASB 72 "*Fair Value Measurement and Application*".

22. We have no knowledge of an asset retirement obligation in accordance with U.S GAAP (GASB 83, *Asset Retirement Obligations*). We are not aware of an external obligating event related to an asset retirement that includes the following:

    a. Approval of federal, state, or local laws and regulations.

    b. Creation of a legally binding contract

    c. Issuance of a court judgment

23. Our participation in the Public Universities Risk Management and Insurance Trust has been properly reported and disclosed in the financial statements.

Information Provided

1. We have provided you with:

    a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements such as records (including information obtained from within and outside of the general and subsidiary ledgers), documentation, and other matters.

    b. Additional information that you have requested from us for the purpose of the audit.

    c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

    d. Complete minutes of the meetings of the governing board and related committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.

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e. All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with, or deficiencies in, financial reporting practices.

f. All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with the provisions of laws, regulations, contracts, and grant agreements.

g. Access to all audit or relevant monitoring reports, if any, received from funding sources.

2. All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.

3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

4. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:

   a. Management;

   b. Employees who have significant roles in internal control; or

   c. Others when the fraud could have a material effect on the financial statements.

5. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, grantors, regulators, or others.

6. We have no knowledge of any instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, and grant agreements, or waste or abuse whose effects should be considered when preparing financial statements.

7. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

8. Other than the matters already disclosed, there are no other material liabilities or gain or loss contingencies that are required to be accrued or disclosed in accordance with U.S. GAAP.

9. We have disclosed to you the identity of all the entity's related parties and all the related party relationships and transactions of which we are aware, including any side agreements.

10. The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral, except as made known to you and disclosed in the financial statements.

11. We have a process to track the status of audit findings and recommendations.

12. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

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13. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

14. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the University, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

15. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

16. The entity has complied with all aspects of contractual or grant agreements that would have a material effect on the financial statements in the event of noncompliance.

17. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.

18. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.

19. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures, jointly governed organizations, and other related organizations.

20. The financial statements properly classify all funds and activities.

21. Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.

22. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.

23. Provisions for uncollectible receivables have been properly identified and recorded.

24. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

25. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

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26. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

27. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly valued and disclosed.

28. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.

29. We have reviewed our capital assets for potential asset retirement obligations and believe there are no significant liabilities to be recorded or disclosed.

30. We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

31. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

32. We acknowledge our responsibility for the preparation of the other information included in our annual report, which is comprised of Oregon Tech Board of Trustees and Oregon Tech Executive Officers and the Message from the President (other information). The other information is consistent with the financial statements and does not contain any material misstatements. With regard to the other information that has not been provided to you, the final version of the documents will be provided to you when available, and prior to issuance of the annual report by the entity, so that you can complete your required procedures. We agree to correct material inconsistencies that you may identify.

33. With respect to federal award programs:

    a. We are responsible for understanding and complying with, and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) including requirements relating to preparation of the schedule of expenditures of federal awards.

    b. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) and related notes in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement and presentation of the SEFA have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFA.

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c. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and included in the SEFA expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.

d. We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.

e. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.

f. We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.

g. We have received no requests from a federal agency to audit one or more specific programs as a major program.

h. We have complied with the direct and material compliance requirements, including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards.

i. We have disclosed to you any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.

j. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditors' report.

k. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E)

l. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.

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m. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.

n. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.

o. There are no known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditors' report.

p. We have disclosed to you whether any changes in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies and/or material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditors' report.

q. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.

r. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.

s. We have monitored subrecipients, as necessary, to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.

t. We have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient.

u. We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.

v. We have charged costs to federal awards in accordance with applicable cost principles.

w. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.

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x. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.

y. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.

z. We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

aa. We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.

bb. The University has not been notified by the U.S. Department of Education of the loss of eligibility for one or all of the Title IV programs due to high default rates.

cc. The University has reported to the U.S. Department of Education for investigations all known criminal misconduct, if any, involving Title IV funds by any student, employee, third-party servicer, or other agent of the institution involved in the administration of the University's Title IV programs.

dd. The University or its employees have not received any direct or indirect benefits from lenders related to the University's Title IV loan programs.

ee. The University, members of governance, or its President are not responsible for a crime involving federal student audit program funds, have not pled guilty to, or pled nolo contendere to, or been found guilty of, a crime involving Title IV funds or been judicially determined to have committed frauds involving Title IV funds.

ff. The University has not filed for bankruptcy and are in compliance with the Department of Education financial responsibility requirements.

gg. The University is not participating in the Zone Alternative.

DocuSigned by:
Nagi Naganathan
6B9CA1E0D200440...
Nagi G. Naganathan, Ph.D., ASME Fellow
President

DocuSigned by:
John Harman
810DBFAB89064A4...
John A. Harman
Vice President for Finance & Administration

DocuSigned by:
Michelle Meyer
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Michelle E.R. Meyer
Director of Audit and Compliance

ACTION

Agenda Item No. 4.2

FY 2023 Single Audit Report

Background

Oregon Tech receives federal funds through financial aid programs, grants, awards and more recently through Higher Education Emergency Relief Funds (HEERF) related to the COVID-19 pandemic.

Nonprofit and governmental organizations with federal expenditures in excess of $750,000 annually are required by law to have an annual Single Audit. This includes an audit of financial statements and a compliance audit of federal awards. The Single Audit reviews internal controls and whether federal funds were managed in compliance with applicable federal requirements for grants and awards.

A Single Audit is often referred to as a *Uniform Guidance Single Audit* because provisions applicable to most federal awards are contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The Single Audit for the fiscal year (FY) ended June 30, 2023 was performed by CliftonLarsonAllen LLP (CLA) in conjunction with Oregon Tech staff. The FY 2023 Single Audit Report is attached below (Attachment A), includes CLA's independent auditors' reports on (a) Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, and (b) Compliance for Each Major Federal Program, Report on Internal Control Over Compliance and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance. The Management Representation Letter, signed by Oregon Tech staff (Attachment B), is also attached below.

CLA has issued an unmodified (clean) opinion with regard to financial statements and federal awards as outlined in the attached Oregon Tech Fiscal Year 2023 Single Audit Report (Attachment A). Copies will be provided to all members of the Board of Trustees.

Staff Recommendation

After review of the Fiscal Year 2023 Single Audit Report, staff requests a **Motion to the full Board recommending approval of the Oregon Tech FY 2023 Single Audit Report.**

Attachments

Attachment A- Oregon Tech Single Audit Report for the Year Ended June 30, 2023

Business Continuity and Disaster Recovery

Board of Trustees

Finance and Facilities Committee

10 April 24

Oregon's Polytechnic University

Oregon TECH

Objectives

- Background
- Goals
- Milestones
- Deliverables
- Next Steps

Background

- Impact of COVID-19 pandemic on university academics and operations
- Common practice in higher education to adopt business continuity programs
- Internal Audit report recommending the creation of an ITS disaster recovery plan
- Dated Emergency Operations Plan from 2018

Goals

- Support ability to effectively manage adverse events, business disruptions and emergencies across the enterprise
- Introduce an aligned business continuity, disaster recovery and emergency management framework
- Employ policy, governance, plans, procedures, training, drills/exercises/tests and continuous improvement to support programmatic maturity

Milestones

- Request for Proposals released 06 June 23, closed 27 June 23
- Vendor Presentations held on 25 August 23
- Notice of Intent to Award issued 4 November 22
- Agreement with B. Riley Advisory Services executed 8 December 22
- Revival and Amendment 1 (Agreement Extension) executed 24 January 24
- Amendment 2 (Planning Solution License Renewal) executed 24 January 24
- Tabletop Exercise held on 15 February 24
- Executive Briefing conducted on 7 March 24

Deliverables

- **Threat and Hazard Identification and Risk Assessment (THIRA)**

  Hazard Risk Assessment Report

- **IT Disaster Recovery Current State Assessment**

  Disaster Recovery Readiness Assessment and Recommendations

- **Business Impact Analysis (BIA)**

  Business Impact Analysis Report

- **Integrated Crisis Management Framework Development**

  Organizational Hierarchy

  Risk and Resilience Charter

Deliverables

- **Business Continuity Plan Development**

  Business Continuity Plans

  Boldplanning Planning Solution

- **Disaster Recovery Plan Development**

  Disaster Recovery Plan

- **Emergency Operations Plan Integration**

  Integration of Emergency Operations Plan into Boldplanning Planning Solution

- **Tabletop Exercise**

  Tabletop Exercise

  After Action Report and Improvement Plan

Deliverables

- **Testing, Training and Exercising (TTE) Program Development**

  Plan Maintenance Cycle

  Boldplanning Planning Solution User Guidance and Training Videos

- **Executive Presentation**

  Executive Briefing for Senior Leadership

Next Steps

Near Term

- Apply tabletop exercise After Action Report (AAR) to support continuous improvement
- Establish governance structure (Risk and Resilience Council) to strategically guide program
- Implement Plan Maintenance Cycle (PMC) to sustain program
- Complete Emergency Operations Plan

Next Steps

Long Term

- Establish policy governing emergency and disaster planning
- Implement enterprise risk management model to identify, prioritize and manage key institutional risks
- Conduct annual exercises/testing at the business unit and enterprise level
- Conduct annual risk and resilience presentation to the Board of Trustees

Questions?

Douglas Tripp, M.Sc.

Executive Director - Resilience, Emergency Management and Safety

Resilience, Emergency Management and Safety (REMS)

Campus Safety | Emergency Management and Business Continuity | Environmental Health and Safety | Parking | Radiation Safety

Oregon Institute of Technology

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