



CENTRAL OREGON  
COMMUNITY COLLEGE  
Board of Directors' Meeting – AGENDA  
Wednesday, November 8, 2023 – 5:45 PM  
Redmond Campus, Building 3, Room 306 /  
YouTube

TIME**	ITEM	ENC.*	ACTION	PRESENTER
5:45pm				
	I. Call to Order			Krenowicz
	II. Native Lands Acknowledgement	2a.1*		Krenowicz
	III. Roll Call			Kovitz
	IV. Agenda Changes			Krenowicz
	V. Public Comment			Krenowicz
	VI. Consent Agenda***		X	Krenowicz
	1. Regular Meeting Minutes (10.11.23)	6a.1-7*		Matthews <sup>A</sup>
	VII. Information Items			
	1. Monthly Budget Status	7a.1-4*		Knutson <sup>A</sup>
	2. New Hire Reports	7b.1-2*		Boehme <sup>A</sup>
	VIII. Old Business			
	1. Indicators from the Previous Strategic Plan			Moore <sup>P</sup>
	2. Redmond Campus/MATC Update			Ward/Green <sup>P</sup>
	IX. New Business			
	1. Investment Policy and Internal Controls Document – 1 <sup>st</sup> Reading	10a.1-16*		LaLonde <sup>P</sup>
	X. Board of Directors' Operations			Krenowicz
	1. Board Member Activities			
	XI. President's Report			Chesley
	XII. Dates			Krenowicz
	1. Friday, November 10 – COCC closed in observance of Veterans' Day			
	2. November 23-24 – COCC closed in observance of Thanksgiving			
	3. Wednesday, December 13 – Board of Directors' Work Session – BEC Boardroom at 3:00 – 5:00 p.m.			
	4. Wednesday, December 13 – Board of Directors' Meeting – BEC Boardroom at 5:45 p.m.			

\* Material to be distributed via e-mail & USPS (as necessary)

\*\* Times listed on the agenda are approximate to assist the Chair of the Board.

\*\*\* Confirmation of Consent Agenda items submitted by the President. Any item may be moved from the Consent Agenda to Old/New Business by a Board Member asking the Chair to consider the item separately.

P - indicates a Presentation will be provided.

A - indicates the presenter is Aavailable for background information if requested.

\* Material to be distributed via e-mail & USPS (as necessary)

\*\* Times listed on the agenda are approximate to assist the Chair of the Board.

\*\*\* Confirmation of Consent Agenda items submitted by the President. Any item may be moved from the Consent Agenda to Old/New Business by a Board Member asking the Chair to consider the item separately.

P - indicates a Presentation will be provided.

A - indicates the presenter is Available for background information if requested.

**Purpose:** To acknowledge someone is to say, “I see you. You are significant.” The purpose of a land acknowledgement is to recognize and pay respect to the original inhabitants of a specific region. It is an opportunity to express gratitude and appreciation to those whose territory you exist in.

### **COCC Land Acknowledgement**

(Condensed Version)

COCC would like to acknowledge that the beautiful land our campuses reside on, are the original homelands of the **Wasq’ú** (Wasco), and the **Wana Lama** (Warm Springs) people. They ceded this land to the US government in the Treaty of 1855. The **Numu** (Paiute) people were forcibly moved to the Warm Springs Indian Reservation starting in 1879. It is also important to note that the Klamath Trail ran north through this region to the great Celilo Falls trading grounds and the Klamath Tribes claim it as their own. Descendants of these original people are thriving members of our communities today. We acknowledge and thank the original stewards of this land.



CENTRAL OREGON  
COMMUNITY COLLEGE  
Board of Directors' Meeting – AGENDA  
Wednesday, October 11, 2023 – 5:45 PM  
Online via Zoom / YouTube

TIME**	ITEM	ENC.*	ACTION	PRESENTER
5:45pm	I. Call to Order			Krenowicz
	II. Native Lands Acknowledgement	2a.1*		Krenowicz
	III. Roll Call			Kovitz
	<u>Board Members, Staff and Guests</u>			
	Joe Krenowicz (Chair), Laura Craska Cooper (Vice Chair), Alan Unger, Erica Skatvold, Jim Porter, Erin Merz, Erin Foote Morgan, Laurie Chesley (COCC President), Alicia Moore, Annemarie Hamlin, Michael LaLonde, Laura Boehme, Zak Boone, Cathleen Knutson, Kyle Matthews, Seana Barry, Christy Walker, Paul Taylor, Jenn Kovitz			
	IV. Agenda Changes			Krenowicz
	None.			
	V. Public Comment			Krenowicz
	None.			
	VI. Consent Agenda***		X	Krenowicz
	1. Regular Meeting Minutes (9.13.23)	6a.1-7*		Matthews <sup>A</sup>
	2. Motion to approve consent agenda with corrections.			
	a. 1 <sup>st</sup> : Alan Unger			
	b. 2 <sup>nd</sup> : Laura Craska Cooper			
	c. Motion approved unanimously.			
	VII. Information Items			
	1. Monthly Budget Status	7a.1-4*		Knutson <sup>A</sup>
	No questions.			
	2. New Hire Reports	7b.1-2*		Boehme <sup>A</sup>
	No questions.			
	VIII. New Business			
	1. Electrical Contract	8a.1-10*	X	LaLonde <sup>A</sup>
	a. New contract over \$100,000 requiring			

\* Material to be distributed via e-mail & USPS (as necessary)

\*\* Times listed on the agenda are approximate to assist the Chair of the Board.

\*\*\* Confirmation of Consent Agenda items submitted by the President. Any item may be moved from the Consent Agenda to Old/New Business by a Board Member asking the Chair to consider the item separately.

P = indicates a Presentation will be provided.

A = indicates the presenter is Aavailable for background information if requested.

- the Board's approval. This is for updating electrical components on the Bend campus.
- b. Motion to approve the contract.
    - i. 1<sup>st</sup>: Erica Skatvold
    - ii. 2<sup>nd</sup>: Laura Craska Cooper
    - iii. Motion approved unanimously.
2. HVAC Purchase 8b.1-7\* X LaLonde<sup>A</sup>
- a. New contract over \$100,000 requiring the Board's approval. This is to repair the HVAC issues on the Redmond campus. COCC had budgeted for two new units, but all eight on the campus failed and need to be replaced.
  - b. Krenowicz asked how COCC staff came to this conclusion. LaLonde said they looked at what funds were available in the account designated for HVAC maintenance, then went through the standard contract review process with Sharla Andresen, COCC's Director of Contracts and Risk Management. According to COCC's policies, any contract over \$100,000 requires the Board's approval before LaLonde can sign it, even if it was already approved in the budget as a project.
  - c. Motion to approve the contract.
    - i. 1<sup>st</sup>: Alan Unger
    - ii. 2<sup>nd</sup>: Laura Craska Cooper
    - iii. Motion approved unanimously.
3. Lightcast Economic Impact Study 8c.1-8\* Kovitz<sup>P</sup>
- a. In August 2023, OCCA released a statewide economic impact study of Oregon's community colleges, as well as the economic impact of each community college in their respective districts. These reports are conducted every few years by Lightcast, an independent labor market analytics firm. Kovitz presented some highlights from COCC's individual results.
  - b. In FY 2021-22, COCC generated \$289.6 million for the Central Oregon economy, including operations, student spending and alumni impact.
    - i. This is approximately 2% of the gross

\* Material to be distributed via e-mail & USPS (as necessary)

\*\* Times listed on the agenda are approximate to assist the Chair of the Board.

\*\*\* Confirmation of Consent Agenda items submitted by the President. Any item may be moved from the Consent Agenda to Old/New Business by a Board Member asking the Chair to consider the item separately.

P = indicates a Presentation will be provided.

A = indicates the presenter is Available for background information if requested.

- GRP of Central Oregon.
- ii. COCC and its students supported 3,562 regional jobs, or 1 in every 43 jobs in the Central Oregon district.
- c. The study found an increase in average graduate earnings of \$8,000 per year.
    - i. This reflects the average increased earning of a COCC graduate with an associate's degree versus a high school graduate working anywhere in Oregon.
    - ii. In turn, the average COCC graduate invests a 22.7% annual rate of return. The average U.S. Stock Market 30-year rate of return is 9.6%.
    - iii. Overall, COCC's economic impact amounts to \$528.5 million annually in social benefits. This includes added student income to Central Oregon, added income from college activities spent on local businesses and partnerships, and added business income and social savings related to better outcomes in health and judiciary outcomes related to higher education graduation rates.
  - d. Erin Merz asked when the most recent study was published. The last time COCC received a report was during the 2021-22 FY with data from the 2018-19 FY.
    - i. Merz asked when the next study is expected to be conducted. Chesley said the OCCA President's Council has voted to conduct another study in two years. This is financed by the Oregon Community College Strategic Fund, which is managed by the Oregon community college presidents.
  - e. Alan Unger asked what our next steps are with all of the findings from the study. Kovitz said COCC coordinated with the other 16 Oregon community colleges and OCCA to create a statewide press release, as well as an individual COCC-focused release. COCC also ran a social media campaign explaining some of the highlights from the college's individual portion of the study. The college is also creating a six-page pamphlet for Dr. Chesley, the Senior Leadership Team and the Board to share when interacting with the public. Findings from the study will also be published in the 2024 edition of *COCC Magazine*.
    - i. Chesley thanked Kovitz for pointing out all of the ways this report can benefit COCC. She also mentioned that COCC and OCCA can use this report as a legislative advocacy tool.
    - ii. Craska Cooper encouraged her fellow Board members

\* Material to be distributed via e-mail & USPS (as necessary)

\*\* Times listed on the agenda are approximate to assist the Chair of the Board.

\*\*\* Confirmation of Consent Agenda items submitted by the President. Any item may be moved from the Consent Agenda to Old/New Business by a Board Member asking the Chair to consider the item separately.

P = indicates a Presentation will be provided.

A = indicates the presenter is Available for background information if requested.

to share the report's findings with the public.

## IX. Old Business

### 1. Diversity Hiring Plan and Data Update

Moore/Boehme/  
Barry/Walker<sup>P</sup>

- a. Moore explained how, since 2021, this initiative has aimed to increase diversity in applications for COCC faculty and staff positions and ultimately increase the diversity of COCC's employees. A report was shared with the COCC Board in May 2022 and the initiative was named a COCC Strategic Plan Action Project in September 2023.
- b. Barry shared how applicants are sought out and considered for employment positions, as well as data on percentages of applicants of color who were interviewed and hired (based on applicants who replied to demographic questions).
- c. Boehme gave an overview of activities that Human Resources is conducting as part of the initiative, including culturally respectful hiring practices workshops, improved application processes, and annual job title reviews. She also shared a video with testimonies from current COCC employees.
- d. Walker wished everyone a happy National Coming Out Day and shared some upcoming strategies for the initiative, including updates to DEIB interview questions, diversity training for hiring committee members, and developing a process to regularly report on hiring and employee demographics.
- e. Moore shared some key takeaways from the initiative's current state, including the importance of thorough demographic data and comprehensive approaches to hiring.
- f. Foote Morgan complimented all of the presenters and their teams for their efforts and expressed her pride to be a member of a Board that prioritizes diverse hiring. She asked about the alignment of diversity-focused hiring practices with student outreach, which was briefly mentioned in the presentation.
  - i. Moore said this is the ultimate goal of the initiative. By increasing the diversity of the applicant pool, the COCC employee population can mirror the demographics of the student body, allowing more students of color to be able to see themselves reflected in their teachers and support staff.
  - ii. Walker added how the initiative is important

\* Material to be distributed via e-mail & USPS (as necessary)

\*\* Times listed on the agenda are approximate to assist the Chair of the Board.

\*\*\* Confirmation of Consent Agenda items submitted by the President. Any item may be moved from the Consent Agenda to Old/New Business by a Board Member asking the Chair to consider the item separately.

P = indicates a Presentation will be provided.

A = indicates the presenter is Available for background information if requested.

- for current COCC employees who may feel isolated as the only member of their demographic on staff.
- g. Merz echoed Foote Morgan's appreciation for the efforts of the presenters. She asked for more details on employee retention.
    - i. While the data wasn't readily available, Boehme said that one of the challenges for the initiative is that demographic information is only given voluntarily. The college's best opportunity to gather said data is when people apply for employment. Like many organizations since 2020, COCC has seen an increased rate of employee turnover and new hires. Boehme suggested adding improvements to employee retention tracking to the initiative.
    - ii. Moore added that, prior to 2019, COCC did not electronically track employee demographics and could only gather such data from physical files. A more robust system has been developed.
    - iii. Walker pointed out that there are many reasons someone might leave a position, which makes it difficult to see trends in turnover without making assumptions.
  - h. Unger perceived that COCC hires many people from outside the district who move to the area and then find new jobs in Central Oregon. What could COCC do to keep such employees on staff long-term?
    - i. Moore circled back to Walker's comment regarding the many reasons why someone might leave COCC employment.
  - i. Foote Morgan asked if COCC has an overall DEI vision.
    - i. Walker confirmed COCC has a diversity plan that other institutions have borrowed from. DEI is included throughout COCC's latest Strategic Plan. In her opinion, the college's DEI plan is strong.
  - j. Chesley thanked Foote Morgan and Merz for sharing their appreciation to the presenters and explained that this initiative came from members of the Board of Directors, in particular Oliver Tatom, and it became part of the Board's policy for the President to give an annual report on diversity-focused hiring. This is the second year of that reporting.
    - i. Foote Morgan asked if the Board could have a chance to review this policy. Chesley said this could happen in an upcoming Board Policy Committee meeting.

## X. Board of Directors' Operations

Krenowicz

### 1. Laura Craska Cooper

- a. October 9 – 12: ACCT Conference in Las Vegas.

\* Material to be distributed via e-mail & USPS (as necessary)

\*\* Times listed on the agenda are approximate to assist the Chair of the Board.

\*\*\* Confirmation of Consent Agenda items submitted by the President. Any item may be moved from the Consent Agenda to Old/New Business by a Board Member asking the Chair to consider the item separately.

P = indicates a Presentation will be provided.

A = indicates the presenter is Aavailable for background information if requested.



2. Jim Porter
  - a. October 6: Lunch meeting with William Smith Properties regarding their development work on COCC's campuses.
  - b. October 9 – 12: ACCT Conference in Las Vegas.
3. Alan Unger
  - a. October 6: Attended OCCA Board meeting. He encouraged his fellow Board members to register for the upcoming OCCA conference in Sunriver.
4. Erin Foote Morgan
  - a. Meeting with Vicki Russell from the COCC Foundation Board of Trustees regarding the history of COCC's efforts to better serve residents of southern Deschutes County. She thanked Boone for the referral.
  - b. Meeting with Scott Olszewski, the new principal of La Pine High School, regarding collaborations with COCC.
  - c. October 6: Lunch meeting with William Smith Properties regarding their development work on COCC's campuses.
  - d. October 9–12: ACCT Conference in Las Vegas. Attended trainings on workforce development and DEI student success.
5. Erin Merz
  - a. September 26: Attended the COCC Foundation's Board of Trustees' retreat as the new liaison to the Board of Directors.
  - b. October 6: Lunch meeting with William Smith Properties regarding their development work on COCC's campuses.
  - c. October 9–12: ACCT Conference in Las Vegas.
6. Erica Skatvold
  - a. Participated in conversations between St. Charles Health System, OHSU, OSU–Cascades and COCC regarding an accelerated Bachelor of Science in Nursing (BSN) program. The program would come out of OHSU and partner with COCC. COCC is looking to offer its own BSN, but an accelerated program from OHSU could help people with a bachelor's degree enter the nursing profession quickly.

## XI. President's Report

Chesley

1. October 11 was National Coming Out Day. Activities were hosted on all of COCC's campuses for LGBTQ+ community members and allies.
2. Job Fests took place on the Redmond and Madras campuses earlier in the week, and will take place on the Bend and Prineville campuses later this month.

\* Material to be distributed via e-mail & USPS (as necessary)

\*\* Times listed on the agenda are approximate to assist the Chair of the Board.

\*\*\* Confirmation of Consent Agenda items submitted by the President. Any item may be moved from the Consent Agenda to Old/New Business by a Board Member asking the Chair to consider the item separately.

P = indicates a Presentation will be provided.

A = indicates the presenter is Available for background information if requested.

3. Latinx Heritage Month events have been hosted on COCC's campuses.
4. Alicia Moore was interviewed on Oregon Public Broadcasting's *Think Out Loud* radio program regarding COCC's high enrollment numbers.

6a.7

## XII. Dates

Krenowicz

1. Tuesday, October 17 – Feast at the Old Mill – Anthony's at the Old Mill District – 5:30 p.m.
2. Friday and Saturday, October 27–28 – Board of Directors' Fall Retreat – Chandler Lab, Room 301 – 9:00 a.m.
3. Wednesday, November 8 – Board of Directors' Meeting – Redmond Campus, Building 3, Room 306 – 5:45 p.m.

## XIII. Adjourn

Krenowicz

\* Material to be distributed via e-mail & USPS (as necessary)

\*\* Times listed on the agenda are approximate to assist the Chair of the Board.

\*\*\* Confirmation of Consent Agenda items submitted by the President. Any item may be moved from the Consent Agenda to Old/New Business by a Board Member asking the Chair to consider the item separately.

P = indicates a Presentation will be provided.

A = indicates the presenter is Aavailable for background information if requested.

Central Oregon Community College  
Monthly Budget Status  
Highlights of September 2023 Financial Statements

**Cash and Investments**

The College's operating cash balances currently total \$34.8 million. The September average yield for the Local Government Investment Pool is up to 4.63 percent from last report of 4.42 percent.

**General Fund Revenues**

Tuition and fee revenues increased \$1.04 million in September compared to the prior month.

**General Fund Expenses**

The expenses through September 2023 include the required budgeted inter-fund transfers-out for the fiscal year.

**Budget Compliance**

All general fund appropriation categories are within budget.

**Central Oregon Community College**  
**Monthly Budget Status**  
**September 2023**

08-Nov-23

<b><u>General Fund</u></b>	<b>Adopted Budget</b>	<b>Year to Date Activity</b>	<b>Variance Favorable (Unfavorable)</b>	<b>Percent of Budget Current Year</b>	<b>Percent of Budget Prior Year</b>
<b>Revenues</b>					
District Property Taxes:					
Current Taxes	\$ 21,842,000	\$ -	\$ (21,842,000)	0.0%	0.0%
Prior Taxes	460,000	84,637	(375,363)	18.4%	49.8%
Tuition and fees	17,374,000	6,336,034	(11,037,966)	36.5%	35.4%
State Aid	9,793,000	3,120,907	(6,672,093)	31.9%	25.0%
Program and Fee Income	40,000	-	(40,000)	0.0%	0.0%
Interest & Misc. Income	244,000	18,749	(225,251)	7.7%	8.8%
Transfers-In	4,860,000	89,817	(4,770,183)	1.8%	48.6%
<b>Total Revenues</b>	<b>\$ 54,613,000</b>	<b>\$ 9,650,144</b>	<b>\$ (44,962,856)</b>		
<b>Expenses by Function</b>					
Instruction	\$ 24,617,100	\$ 2,960,188	\$ 21,656,912	12.0%	11.9%
Instructional Support	5,270,297	1,084,151	4,186,146	20.6%	22.0%
Student Services	6,465,663	1,168,448	5,297,215	18.1%	17.7%
College Support	5,847,565	1,325,666	4,521,899	22.7%	21.7%
Plant Operations and Maintenance	4,966,239	1,192,274	3,773,965	24.0%	18.1%
Information Technology	5,738,544	1,346,844	4,391,700	23.5%	24.8%
Financial Aid	100,000	11,882	88,118	11.9%	10.6%
Contingency	1,000,000		1,000,000	0.0%	0.0%
Transfers-Out	2,410,938	2,409,138	1,800	99.9%	98.3%
<b>Total Expenses</b>	<b>\$ 56,416,346</b>	<b>\$ 11,498,591</b>	<b>\$ 44,917,755</b>		
<b>Revenues Over/(Under) Expenses</b>	<b>\$ (1,803,346)</b>	<b>\$ (1,848,447)</b>	<b>\$ (45,101)</b>		

**Central Oregon Community College**  
**Monthly Budget Status**  
 September 2022

8-Nov-23

	<u>Adopted Budget</u>	<u>Year to Date Activity</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Percent of Budget Current Year</u>	<u>Percent of Budget Prior Year</u>
<b><u>Non General Funds</u></b>					
<b>Debt Service Fund</b>					
Revenues	\$ 5,803,797	\$ 1,510,881	\$ (4,292,916)	26.0%	28.3%
Expenses	5,750,447	492,115	5,258,332	8.6%	8.5%
<b>Revenues Over/(Under) Expenses</b>	<b>\$ 53,350</b>	<b>\$ 1,018,766</b>	<b>\$ 965,416</b>		
<b>Grants and Contracts Fund</b>					
Revenues	\$ 4,643,524	\$ 374,246	\$ (4,269,278)	8.1%	7.1%
Expenses	4,711,428	803,582	3,907,846	17.1%	12.8%
<b>Revenues Over/(Under) Expenses</b>	<b>\$ (67,904)</b>	<b>\$ (429,336)</b>	<b>\$ (361,432)</b>		
<b>Capital Projects Fund</b>					
Revenues	\$ 13,832,724	\$ 922,400	\$ (12,910,324)	6.7%	24.8%
Expenses	17,714,240	1,439,610	16,274,630	8.1%	3.1%
<b>Revenues Over/(Under) Expenses</b>	<b>\$ (3,881,516)</b>	<b>\$ (517,210)</b>	<b>\$ 3,364,306</b>		
<b>Enterprise Fund</b>					
Revenues	\$ 4,877,843	\$ 1,727,222	\$ (3,150,621)	35.4%	34.1%
Expenses	5,305,817	1,684,306	3,621,511	31.7%	41.5%
<b>Revenues Over/(Under) Expenses</b>	<b>\$ (427,974)</b>	<b>\$ 42,916</b>	<b>\$ 470,890</b>		
<b>Auxiliary Fund</b>					
Revenues	\$ 5,973,779	\$ 4,127,634	\$ (1,846,145)	69.1%	53.7%
Expenses	12,402,620	2,479,207	9,923,413	20.0%	28.8%
<b>Revenues Over/(Under) Expenses</b>	<b>\$ (6,428,841)</b>	<b>\$ 1,648,427</b>	<b>\$ 8,077,268</b>		
<b>Reserve Fund</b>					
Revenues	\$ 5,316	\$ -	\$ (5,316)	0.0%	0.0%
Expenses	455,000	7,039	447,961	1.5%	94.7%
<b>Revenues Over/(Under) Expenses</b>	<b>\$ (449,684)</b>	<b>\$ (7,039)</b>	<b>\$ 442,645</b>		
<b>Financial Aid Fund</b>					
Revenues	\$ 15,259,071	\$ 2,395,199	\$ (12,863,872)	15.7%	13.2%
Expenses	15,523,065	633,586	14,889,479	4.1%	24.7%
<b>Revenues Over/(Under) Expenses</b>	<b>\$ (263,994)</b>	<b>\$ 1,761,613</b>	<b>\$ 2,025,607</b>		
<b>Internal Service Fund</b>					
Revenues	\$ 85,000	\$ 13,947	\$ (71,053)	16.4%	9.9%
Expenses	161,000	13,213	147,787	8.2%	21.2%
<b>Revenues Over/(Under) Expenses</b>	<b>\$ (76,000)</b>	<b>\$ 734</b>	<b>\$ 76,734</b>		
<b>Trust and Agency Fund</b>					
Revenues	\$ 9,332	\$ 4,233	\$ (5,099)	45.4%	15.7%
Expenses	23,500	-	23,500	0.0%	6.5%
<b>Revenues Over/(Under) Expenses</b>	<b>\$ (14,168)</b>	<b>\$ 4,233</b>	<b>\$ 18,401</b>		

08-Nov-23

## Central Oregon Community College

**Cash and Investments Report**

As of September 30, 2023

College Portfolio	<u>Operating Funds</u>	<u>Trust/Other Funds</u>
<b>Cash in State Investment Pool</b>		
4089 - General operating fund	\$ 32,247,966	
3624 - Robert Clark Trust		\$ 386,167
September Average Yield 4.63%		
<b>Cash in USNB</b>	\$ 2,596,275	
<b>Cash on Hand</b>	\$ 4,600	
Total Cash	<u>\$ 34,848,841</u>	<u>\$ 386,167</u>



**Board Meeting Date:** Wednesday, November 8, 2023  
**Exhibit:** 7b.1

**Central Oregon Community College  
Board of Directors  
Faculty and Administrators New Hire Report**

<b>Administrator Full-Time</b>		
Matthew Clingan	Accounts Payable Manager	October 16, 2023
Sarah Wolcott	Program Manager	October 25, 2023

<b>Administrator Part-Time</b>		
Levon Alldredge	Veterans Outreach Coordinator	October 17, 2023



**Central Oregon Community College**  
**Board of Directors**  
**New Hires Report**  
Date of Hire: October 1-31, 2023

<b>Name</b>	<b>Hire Date</b>	<b>Job Description</b>	<b>Department</b>
<b>Classified Full-Time</b>			
Beltis, Jairon Paul	10/24/2023	Enrollment/Welcome Associate	Enrollment Cashiering
Beltis, Jennifer Lynette	10/23/2023	Instructional Specialist	Instructional Deans
Rush, Alyssa Anne	10/16/2023	Computer Lab Specialist	Regional Credit Instruction-Madras
Torres, Yesleni	10/23/2023	Campus Custodian	Custodial Services
Zink, Katelyn Marie	10/16/2023	Campus Safety Specialist	Campus Public Safety
<b>Classified Part-Time</b>			
Schmidt, Amber R	10/2/2023	Campus Custodian	Custodial Services
<b>Temporary Hourly</b>			
Calvert-Russell, Isaac Raymond	10/9/2023	MATC Lab Assistant	Manufacturing Processes
Contreras Guzman, Osvaldo	10/3/2023	Aviation Tutor II	Tutoring and Testing
Figuroa, Pascual	10/2/2023	Lead Library Assistant-	Library
Foster, Randall	10/3/2023	Test Proctor II	Tutoring and Testing
Garcia, William R	10/2/2023	Aviation Tutor II	Tutoring and Testing
Hagen Doessel, Juliann	10/2/2023	Art Model- Unclothed	Art
Herrera, Celine	10/24/2023	Writing Tutor II	Tutoring and Testing
Hughes, Elda	10/2/2023	Lead Library Assistant-	Library
Jones, Cruz James	10/11/2023	EMT Lab Assistant	Emergency Medical Services
Landis, Benjamin	10/9/2023	Art Model-Unclothed	Art
McNorgan, Peggy	10/1/2023	ASL Interpreter Level II	Disability Services
Mudrick, Breann	10/9/2023	High School Equivalency	Adult Basic Education
Stewart, Jacob Mark	10/3/2023	Math Tutor II	Tutoring and Testing
Sullivan, Corey Addison	10/13/2023	EMT Lab Assistant	Emergency Medical Services
Wheeler, Anna Marjorie	10/23/2023	Instructional Assistant	Allied Health
Wilder, Joan E	10/2/2023	Testing Center Technology	Tutoring and Testing



# PROPOSED INVESTMENT POLICY

## Central Oregon Community College Investment Policy

### I. Purpose

This Investment Policy defines the parameters within which funds are to be invested by the Central Oregon Community College District (COCC). COCC is an Oregon Community College District whose purpose is to offer educational opportunities to the public. This policy also formalizes the framework, pursuant to ORS 294.135, for COCC's investment activities to ensure effective and judicious management of funds within the scope of this policy.

These guidelines are intended to be broad enough to allow designated investment staff to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

### II. Governing Authority

COCC's investment program shall be operated in conformance with Oregon Revised Statutes and applicable federal law. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145; and 294.810. All funds within the scope of this policy are subject to laws established by the state of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

### III. Scope

This policy applies to activities of COCC with regard to investing the financial assets of operating funds, capital funds, bond proceeds and bond reserve funds. Funds managed by COCC that are governed by other investment policies are excluded from this policy; however, all funds are subject to Oregon Law. The amount of funds falling within the scope of this policy over the next three years is expected to range between \$30 million and \$50 million.

### IV. General Objectives

The primary objectives, in priority order, of investment activities shall be:

#### 1. Preservation of Invested Capital

Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The goal is to mitigate credit risk and interest rate risk.

#### 2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated operating requirements. Furthermore, the portfolio should consist largely of securities with active secondary or resale markets. A portion of the portfolio also may be placed in the

Oregon Short Term Fund which offers next-day liquidity. Where possible and prudent, the portfolio should be structured so that investments mature concurrent with anticipated demands.

### **3. Return**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration the safety and liquidity needs of the portfolio. Although return consists of both principal return (gains and losses due to market value fluctuations) and income return (yield), this policy discourages active trading and turnover of investments. Investments should generally be held to maturity

## **V. Standards of Care**

### **1. Prudence**

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported and appropriate action is taken to control adverse developments within a timely fashion as defined in this policy.

The "prudent person" standard states:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

### **2. Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of COCC. Officers and employees shall, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.

### **3. Delegation of Authority and Responsibilities**

#### **i. Governing Body**

COCC's Board of Directors will retain ultimate fiduciary responsibility for invested funds. The governing body will receive reports, pursuant to, and with sufficient detail to comply with ORS 294.085 and 294.155.

#### **ii. Delegation of Authority**

Authority to manage investments within the scope of this policy and operate the

investment program in accordance with established written procedures and internal controls is granted to COCC's Vice President of Finance and Operations hereinafter referred to as Investment Officer, and derived from the following: ORS 294.035 to 294.053, 294.125 to 294.145, and 294.810.

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

**iii. Investment Committee**

COCC's Board of Directors may seek to establish an investment committee to provide guidance to the Investment Officer and monitor investment policy compliance.

**iv. Investment Adviser**

The Vice President of Finance and Operations may engage the services of one or more external investment managers to assist in the management of the entity's investment portfolio in a manner consistent with this investment policy. Investment advisers may be hired on a non-discretionary basis. All investment transactions by approved investment advisers must be pre-approved in writing by the Investment Officer and compliant with this Investment Policy. If COCC hires an investment adviser to provide investment management services, the adviser is authorized to transact with its direct dealer relationships on behalf of COCC.

**VI. Transaction Counterparties, Investment Advisers and Depositories**

**1. Broker/Dealers**

The Investment Officer shall determine which broker/dealer firms and registered representatives are authorized for the purposes of investing funds within the scope of this investment policy. A list will be maintained of approved broker/dealer firms and affiliated registered representatives. The broker/dealer selection will follow all COCC Procurement Policies.

The following minimum criteria must be met prior to authorizing investment transactions. The Investment Officer may impose more stringent criteria.

- i. Broker/Dealer firms must meet the following minimum criteria:
  - A. Be registered with the Securities and Exchange Commission (SEC)
  - B. Be registered with the Financial Industry Regulatory Authority (FINRA)
  - C. Provide most recent audited financials
  - D. Provide FINRA Focus Report filings

- ii. Approved broker/dealer employees who execute transactions with COCC must meet the following minimum criteria:
  - A. Be a registered representative with the Financial Industry Regulatory Authority (FINRA);
  - B. Be licensed by the state of Oregon;
  - C. Provide certification (in writing) of having read; understood; and agreed to comply with the most current version of this investment policy.
  
- iii. The Investment Officer may want to establish policy for engaging broker/dealer firms and registered representatives that are more restrictive than stated in this policy. Additional requisites or due diligence items may include:
  - A. Positive references from at least three other local government clients.
  - B. As part of the periodic due diligence review, inquiries with other local government clients with regard to their recent experiences with broker/dealer firms or registered representatives and any change in relationship status.
  - C. Requirement that approved registered representatives provide notification within 30 days of any formal investigations or disciplinary actions initiated by federal or state regulators.
  - D. Requirement that prospective registered representatives have an established history of advising local governments with similar amounts of assets under management.
  
- iv. Periodic (at least annual) review of all authorized broker/dealers and their respective authorized registered representatives will be conducted by the Investment Officer. Factors to consider would be:
  - A. Pending investigations by securities regulators
  - B. Significant changes in net capital
  - C. Pending customer arbitration cases
  - D. Regulatory enforcement actions

## 2. Direct Issuers

Obligations that are permitted for purchase by this policy may be purchased directly from the issuer.

## 3. Investment Advisers

A list will be maintained of approved advisers selected by conducting a process of due diligence.

- i. The following items are required for all approved Investment Advisers:
  - A. The investment adviser firm must be registered with the Securities and Exchange Commission (SEC) or licensed by the state of Oregon (*Note: Investment adviser firms with assets under management > \$100 million must be registered with the SEC, otherwise the firm must be licensed by the state of Oregon*).
  - B. All investment adviser firm representatives conducting investment transactions on behalf of COCC must be registered representatives with FINRA.
  - C. All investment adviser firm representatives conducting investment transactions on behalf of COCC must be licensed by the state of Oregon.
  - D. Certification, by all of the adviser representatives conducting investment transactions on behalf of this entity, of having read, understood and agreed to comply with this investment policy.
- ii. A periodic (at least annual) review of all investment advisers under contract will be conducted by the Investment Officer to determine their continued eligibility within the portfolio guidelines. Factors to consider would be:
  - A. Pending investigations by securities regulators
  - B. Significant changes in net capital
  - C. Pending customer arbitration cases
  - D. Regulatory enforcement actions
- iii. The Investment Officer may want to establish guidelines or policy for engaging investment advisers' services that are more restrictive than stated in this policy. Additional requisites or due diligence items may include:
  - A. Positive references from at least three other local government clients of a prospective investment adviser firm.
  - B. As part of the periodic due diligence review, inquiries with other local government clients of approved investment advisers with regard to their recent experiences with the adviser and any change in the relationship status.
  - C. Requirement that approved investment advisers provide notification within 30 days of a relationship termination by an Oregon based local government.
  - D. Requirement that approved investment adviser provide notification within 30 days of any formal investigations or disciplinary actions initiated by federal or state regulators.
  - E. Requirement that prospective investment advisers have an established history of advising local governments with similar amounts of assets under management.

#### **4. Depositories**

All financial institutions who desire to become depositories must be qualified Oregon Depositories pursuant to ORS Chapter 295.

#### **5. Competitive Transactions**

- i. The Investment Officer shall obtain and document competitive bid information on all investments purchased or sold in the secondary market. Competitive bids or offers should be obtained, when possible, from at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.
- ii. In the instance of a security for which there is no readily available competitive bid or offering on the same specific issue, then the Investment Officer shall document quotations for comparable or alternative securities.
- iii. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities as the same original issue price. However, the Investment Officer is encouraged to document quotations on comparable securities.
- iv. If an investment adviser provides investment management services, the adviser must retain documentation of competitive pricing execution on each transaction and provide upon request.

## **VII. Administration and Operations**

### **1. Delivery vs. Payment**

All trades of marketable securities will be executed (cleared and settled) by delivery vs. payment (DVP) to ensure that securities are deposited in COCC's safekeeping institution prior to the release of funds.

### **2. Third-Party Safekeeping**

Securities will be held by an independent third-party safekeeping institution selected by COCC. All securities will be evidenced by safekeeping receipts in COCC's name. Upon request, the safekeeping institution shall make available a copy of its Statement on Standards for Attestation Engagements (SSAE) No. 16.

### **3. Internal Controls**

COCC's Board of Directors are responsible for establishing and maintaining an adequate internal control structure designed to reasonably assure that invested funds are invested within the parameters of this Investment policy and, protected from loss, theft or misuse. Specifics for the internal controls shall be documented in writing. The established control structure shall be reviewed and updated periodically by the Investment Officer.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

The internal controls shall address the following points at a minimum:

- i. Compliance with Investment Policy
- ii. Control of collusion
- iii. Separation of transaction authority from accounting and record keeping
- iv. Custodial safekeeping
- v. Avoidance of physical delivery of securities whenever possible and address control requirements for physical delivery where necessary
- vi. Clear delegation of authority to subordinate staff members

- vii. Confirmation of transactions for investments and wire transfers in written or digitally verifiable electronic form
  - viii. Dual authorizations of wire and automated clearing house (ACH) transfers
  - ix. Staff training
  - x. Review, maintenance and monitoring of security procedures both manual and automated
4. An external auditor shall provide an annual independent review to assure compliance with Oregon state law and COCC's policies and procedures.

## VIII. Suitable and Authorized Investments

### 1. Permitted Investments

The following investments are permitted pursuant to ORS 294.035, 294.040, and ORS 294.810.

- *US Treasury Obligations: U.S. Treasury and other government obligations that carry the full faith and credit guarantee of the United States for the timely payment of principal and interest.*
- *US Agency Obligations: Senior debenture obligations of US federal agencies and instrumentalities or U.S. government sponsored enterprises (GSE).*
- *Oregon Short Term Fund*
- *Corporate Indebtedness*
  - 1. *Commercial Paper issued under the authority of section 3(a)2 or 3(a)3 of the Securities Act of 1933.*
  - 2. *Corporate Bonds*
- *Repurchase Agreements*
- *Municipal Debt*
- *Bankers Acceptances*
- *Qualified Institution Time Deposits/Savings Accounts/Certificates of Deposit*
- *Oregon Local Government Intermediate Fund (OLGIF)*

To invest in OLGIF COCC must fulfill the requirements listed below:

- Maintain an existing account with the Oregon Short Term Fund.
- OLGIF listed as an eligible investment in the participant's investment policy.
- Investment policy reviewed by the Oregon Short Term Fund Board.
- Investment policy approved by the participant's governing body.
- Statement of understanding recorded in the participant governing body's minutes as follows and with no deviations:

*The governing body of COCC acknowledges the following:*

- *Members of this body and investment staff have read and understand the "Oregon Local Government Intermediate Fund Information Pamphlet" provided by Oregon State Treasury;*
- *Investments in OLGIF are subject to loss; and*
- *Investments in OLGIF and divestments from OLGIF may be subject to restriction by Oregon State Treasury.*

## 2. Approval of Permitted Investments

If additional types of securities are considered for investment, per Oregon state statute they will not be eligible for investment until this Policy has been amended and the amended version adopted by COCC's Board of Directors.

## 3. Prohibited Investments

### i. Private Placement or "144A" Securities

Private placement or "144A" securities are not allowed. For purposes of the policy, SEC Rule 144A securities are defined to include commercial paper privately placed under section 4(a)(2) of the Securities Act of 1933.

### ii. US Agency Mortgage-backed Securities

US agency mortgage-backed securities such as those securities issued by FNMA and FHLMC are not allowed.

### iii. Securities Lending

COCC shall not lend securities nor directly participate in a securities lending program.

## 4. Demand Deposits and Time Deposits

- i. All demand deposits and time deposits (Examples of time deposits are: certificates of deposit and savings accounts) shall be held in qualified Oregon depositories in accordance with ORS Chapter 295.
- ii. Demand deposits in qualified depository institutions are considered cash vehicles and not investments and are therefore outside the scope and restrictions of this policy. Pursuant to ORS 294.035(3)(d), time deposits, certificates of deposit and savings accounts are considered investments and within the scope of this policy.

## 5. Repurchase Agreements

- i. ORS 294.035 (3)(j) requires repurchase agreement collateral to be limited in maturity to three years and priced according to percentages prescribed by written policy of the Oregon Investment Council or the Oregon Short Term Fund Board.
- ii. ORS 294.135 (2) limits the maximum term of any repurchase agreement to 90 days.
- iii. The OSTF Board has adopted the following margins:
  - A. US Treasury Securities: 102%
  - B. US Agency Discount and Coupon Securities: 102%
  - C. Mortgage Backed and Other\*: 103%

\*Limited to those securities described in ORS 294.035(1)

## IX. Investment Parameters

### 1. Credit Risk



Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. Credit risk will be mitigated by the following guidelines:

**i. Diversification**

It is the policy of COCC to diversify its investments. Where appropriate, exposures will be limited by security type; maturity; issuance, issuer, and security type, allowed security types and Investment exposure limitations are detailed in the table below.

**ii. Recognized Credit Ratings**

Investments must have a rating from at least two of the following nationally recognized statistical ratings organizations (NRSRO): Moody's Investors Service; Standard & Poor's; and Fitch Ratings Service as detailed in the table below. Ratings used to apply the guidelines below should be investment level ratings and not issuer level ratings.

**iii. Portfolio Average Credit Rating**

The minimum weighted average credit rating of the portfolio's rated investments shall be Aa/AA/AA by Moody's Investors Service; Standard & Poor's; and Fitch Ratings Service respectively.

**iv. Exposure Constraints and Minimum Investment Credit Ratings**

The following table limits exposures among investments permitted by this policy.

Issue Type	Maximum % Holdings	Minimum Ratings Moody's / S&P / Fitch
US Treasury Obligations	100%	None
US Agency Securities	100%	-
Per Agency (Senior Obligations Only)	33%	-
Oregon Short Term Fund	Maximum allowed per ORS 294.810	-
Bankers' Acceptances	25%	A1+/P1/F1+
Time Deposits/Savings Accounts/Certificates of Deposit	50%	-
Per Institution	25%	
Repurchase Agreements	5%	-
Corporate Debt (Total)	15%	-
Corporate Commercial Paper	15%	
Per Issuer	2.5%	A1/P1/F1
Corporate Bonds	10%	
Per Issuer	2.5%	Aa/AA/AA
Municipal Debt (Total)	10%	-
Municipal Commercial Paper	10%	A1/P1/F1
Municipal Bonds	10%	Aa/AA/AA

**v. Determining a Security's Rating**

A single rating will be determined for each investment by utilizing the lowest security level rating available for the security from Standard and Poor's, Moody's Investor Services and Fitch Ratings respectively.

**vi. Restriction on Issuers with Prior Default History**

Per ORS 294.040, the bonds of issuers listed in ORS 294.035 (3)(a) to (c) may be purchased only if there has been no default in payment of either the principal of or the interest on the obligations of the issuing county, port, school district or city, for a period of five years next preceding the date of the investment.

**2. Liquidity Risk**

Liquidity risk is the risk that an investment may not be easily marketable or redeemable. The following strategies will be employed to mitigate liquidity risks:

- i. The value of at least 25% of funds available for investing or three months of budgeted operating expenditures will be invested in the Oregon Short Term Fund, with a qualified depository institution, or investments maturing in less than 90 days to provide sufficient liquidity for expected disbursements.
- ii. Funds in excess of liquidity requirements are allowed for investments maturing in greater than one year. However, longer-term investments tend to be less liquid than shorter term investments. Portfolio investment maturities will be limited as follows:

Total Portfolio Maturity Constraints:

Maturity Constraints	Minimum % of Total Portfolio
Under 90 days	25% or three months Estimated Operating Expenditures
Under 1 year	50%
Under 3 years	100%

- iii. Reserve or Capital Improvement Project monies may be invested in securities exceeding the maximum term if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.
- iv. Larger issuance sizes enhance liquidity as there are likely to be a greater number of investors. Issuance sizes above a minimum amount qualify a corporate or municipal debt bond issuance for index eligibility. Index eligible bonds have a significantly larger investor base which improves liquidity.
- v. Limiting investment in a specific debt issuance improves secondary market liquidity by assuring there are other owners of the issuance.

Issue Type	Maximum % of Issuance (Par)
US Agency Securities	50%
Corporate Debt (Total)	-
Corporate Commercial Paper	100%
Corporate Bonds	25%
Municipal Bonds	25%

### 3. Interest Rate Risk

Longer-term investments have the potential to achieve higher returns but are also likely to exhibit higher market value volatility due to the changes in the general level of interest rates over the life of the investment(s). Interest rate risk will be mitigated by providing adequate liquidity for short term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. Certain types of securities, including variable rate securities, securities with principal pay-downs prior to maturity, and securities with embedded options, will affect the interest rate risk profile of the portfolio differently in different interest rate environments. The following strategies will be employed to control and mitigate adverse changes in the market value of the portfolio due to changes in interest rates:

- i. Where feasible and prudent, investment maturities should be matched with expected cash outflows to mitigate market risk.
- ii. To the extent feasible, investment maturities not matched with cash outflows, including liquidity investments under one year, should be staggered to mitigate re-investment risk.
- iii. No commitments to buy or sell securities may be made more than 14 days prior to the anticipated settlement date, or receive a fee other than interest for future deliveries.
- iv. The maximum percent of callable securities in the portfolio shall be 10%;
- v. The maximum stated final maturity of individual securities in the portfolio shall be three years, except as otherwise stated in this policy.
- vi. The maximum portfolio average maturity (measured with stated final maturity) shall be 1.5 years.

### X. Investment of Proceeds from Debt Issuance

1. Investments of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. Bond proceeds shall be invested in accordance with the parameters of this policy and the applicable bond covenants and tax laws.
2. Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not

invested for resale and are maturity matched with outflows. Consequently, funds within the scope of ORS 294.052 are not subject to this policy's liquidity risk constraints within section IX (2).

#### **XI. Investment of Reserve or Capital Improvement Funds**

1. Pursuant to ORS 294.135(1)(b), reserve or capital Improvement project monies may be invested in securities exceeding three years when the funds in question are being accumulated for an anticipated use that will occur more than 18 months after the funds are invested, then, upon the approval of COCC's Board of Directors, the maturity of the investment or investments made with the funds may occur when the funds are expected to be used.

#### **XII. Guideline Measurement and Adherence**

##### **1. Guideline Measurement**

Guideline measurements will use market value of investments.

##### **2. Guideline Compliance**

- i. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
- ii. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to COCC's Board of Directors.
- iii. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

#### **XIII. Reporting and Disclosure**

##### **1. Compliance**

The Investment Officer shall prepare a report at least quarterly that allows COCC's Board of Directors to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to COCC's Board of Directors. The report will include, at a minimum, the following:

- i. A listing of all investments held during the reporting period showing: par/face value; accounting book value; market value; type of investment; issuer; credit ratings; and yield to maturity (yield to worst if callable).
- ii. Average maturity of the portfolio at period-end
- iii. Maturity distribution of the portfolio at period-end

- iv. Average portfolio credit quality of the portfolio at period-end
- v. Average weighted yield to maturity (yield to worst if callable investments are allowed) of the portfolio
- vi. Distribution by type of investment
- vii. Transactions since last report
- viii. Distribution of transactions among financial counterparties such as broker/dealers
- ix. Violations of portfolio guidelines or non-compliance issues that occurred during the prior period or that are outstanding. This report should also note actions (taken or planned) to bring the portfolio back into compliance.

## **2. Performance Standards/ Evaluation**

At least annually, the Investment Officer shall report comparisons of investment returns to relevant alternative investments and comparative Bond Indexes. The performance of the portfolio should be compared to the performance of alternative investments such as available certificates of deposit; the Oregon Short Term Fund; US Treasury rates; or against one or bond indices with a similar risk profile (e.g., Bond indexes comprised high grade investments and maximum maturities of three years).

When comparing performance, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.

## **3. Marking to Market**

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly.

## **4. Audits**

Management shall establish an annual process of independent review by the external auditor to assure compliance with internal controls. Such audit will include tests deemed appropriate by the auditor.

# **XIV. Policy Maintenance and Considerations**

## **1. Review**

The investment policy shall be reviewed by COCC's Board of Directors at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

The annual report should also serve as a venue to suggest policies and improvements to the investment program, and shall include an investment plan for the coming year.

## **2. Exemptions**

Any investment held prior to the adoption of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested as provided by this policy.

## **3. Policy Adoption and Amendments**

This investment policy and any modifications to this policy must be formally approved in writing by COCC's Board of Directors.

This policy must be submitted to the Oregon Short Term Fund (OSTF) Board for review if:

- i. This policy allows maturities beyond 18 months unless the funds are being accumulated for a specific purpose, including future construction projects, and upon approval of COCC's Board of Directors, the maximum maturity date matches the anticipated use of the funds (ORS 294.135(1)(b) and 294.135(3)).

And either:

- A. This policy has never been submitted to the OSTF Board for comment;

Or

- B. Material changes have been made since the last review by the OSTF Board.

Regardless of whether this policy is submitted to the OSTF Board for comment, this policy shall be re-submitted not less than annually to COCC's Board of Directors for approval.

**XV. List of Documents Used in Conjunction with this Policy**

*(The following is a list of suggested documents that may be used in conjunction with this policy)*

- Listing of authorized personnel
- Relevant investment statutes and ordinances
- Description of benchmark(s)
- Master repurchase agreements and tri-party agreements
- Listing of authorized broker/dealers and financial institutions
- Credit studies for securities purchased and financial institutions used
- Safekeeping agreements
- Wire transfer agreements
- Sample investment reports
- Methodology for calculating rate of return
- Broker confirmations and safekeeping receipts

## Central Oregon Community College

### Investment Internal Controls

Effective Date: [Date]

#### I. Introduction

Central Oregon Community College (COCC) acknowledges its responsibility as a public institution to safeguard taxpayer funds and comply with laws and regulations governing investment activities. The establishment of robust internal controls for investment activities is imperative for the prudent management of public funds, prevention of fund mishandling, and protection against potential loss. These controls also provide clarity for employees regarding their roles and responsibilities in the investment process, guarding against embezzlement, theft, fraud, and poor decision-making.

This document delineates control objectives, segregation of duties, and procedural controls to guide COCC in the establishment and maintenance of effective internal controls for its investment activities. It is crucial to note that this document may not address all potential circumstances related to establishing internal controls and assessing risks. COCC is responsible for conducting reviews of its practices and processes to identify specific risk areas and establish mitigating controls annually.

#### II. Control Objectives

The following control objectives are integral to COCC's investment activities:

1. Safeguarding assets from loss through proper authorization and reconciliation functions.
2. Enforcing segregation of duties within transaction processes, custody, and recording functions.
3. Ensuring accurate recording of transactions and events.
4. Fostering a clear understanding among staff regarding their duties, responsibilities, and accountabilities.
5. Documenting investment practices to ensure compliance with state laws and regulations.

#### III. Segregation of Duties

Segregation of duties is a cornerstone of effective internal controls, preventing any individual or small group from possessing the authority to initiate, approve, undertake, and review the same actions. The avoidance of incompatible duties, performed by the same individual, is crucial.

Proper segregation of duties offers the following advantages:

- Deterrence of fraud due to the requirement for collusion.
- Increased likelihood of detecting and correcting innocent errors.

##### A. Segregation of Duties:

1. The Investment Officer has the authority to initiate, evaluate, and approve transactions, while Fiscal Services manages detailed accounting, reconciliations, general ledger entries, and related functions.

2. An independent third-party safekeeping institution is responsible for monitoring investment market values, investment performance, and ensures securities or documents evidencing ownership are maintained.
3. Access to investment applications and functions within programs is restricted to authorized personnel.
4. All investment bank wire transfers require dual signatures or authorizations.

B. Procedural Controls:

1. All transactions and monthly reports are provided to Fiscal Services to perform detailed accounting, reconciliations, general ledger entries, and related functions. Fiscal Services will investigate any unusual reconciling items.
2. A written investment policy is readily accessible.
3. Approval procedures encompass the formal establishment and periodic review of investment policies by the Board of Directors.
4. All investments must follow the Investment Policy and ensure integration of the investment program with cash management and expenditure requirements.
5. Due diligence of broker-dealers, advisors and financial institutions is completed before conducting business.
6. The Board of Directors conducts quarterly evaluations of investment portfolio performance.
7. Approval procedures include competitive bidding for certificate-of-deposit purchases.
8. The Investment Officer possesses the authority to evaluate, purchase, exchange, or sell investments.
9. Combinations and keys to security devices are restricted and updated when personnel change roles.
10. An accounting record/register is maintained by an independent third-party safekeeping institution for each investment, including cost, description, date purchased, interest rate, maturity date, identifying number and market values.
11. Consistent application of current market value is maintained for all investments in all funds.