



The Board of Trustees of Oregon State University

Regular Meeting of the Executive & Audit Committee

October 15, 2015

Guin Library Seminar Room, Hatfield Marine Science Center
Newport, Oregon

MINUTES

Committee Members Present: Pat Reser (*chair*), Rani Borkar, Darry Callahan (*vice chair*), Paul Kelly, Ed Ray (*ex officio*), and Kirk Schueler

Other Trustee Present: Mark Baldwin, Michele Longo Eder, Brenda McComb, and Laura Naumes

University Staff Present: Sherm Bloomer, Steve Clark, Debbie Colbert, Glenn Ford, Becca Gose, Mike Green, Sabah Randhawa, Cindy Sagers, Clay Simmons, Patti Snopkowski, and Marcia Stuart.

1. Call to Order/Roll/Declaration of a Quorum

Committee Chair Pat Reser called the meeting to order at 8:10 a.m., asked the board secretary to call the roll, and noted a quorum.

2. Consent Item

a. Minutes of the May 28, 2015 Executive & Audit Committee Meeting

A motion was made and seconded to approve the minutes of the May 28, 2015 Executive & Audit Committee meeting. The motion carried.

3. Discussion Item

a. 2015 Board Assessment Results

Chair Reser invited Trustee Borkar to share with the Committee the results of the 2015 Board Assessment survey. Borkar complimented her colleagues on their thoughtful comments that provided a good sense of what the Board would like to see in the future. Several consistent themes emerged from the survey. The survey was developed with four areas for assessment: individual trustees, the board as a whole, committees, and board operations.

At the individual trustee level, trustees expressed overall satisfaction with the amount of time they devote to Board-related activities. They are able to speak candidly and participate in all committee meetings, feel a strong sense of satisfaction in being connected to OSU and helping to fulfill its mission and encouraged more communication and time spent on critical issues, and ongoing education about the University.

At the board level, two areas that stood out as opportunities for the future were the Board's guidance on the University's strategic direction and its monitoring of academic program quality.

At the committee level, both engagement and culture/relationships ranked high across all committees, with a consistent message of trustees wanting strong work plans and more time for discussion.

Trustees indicated that they want communications about major trends and issues in public higher education. Trustees expressed overall support for scheduling regular committee meetings in conjunction with board meetings. They encouraged accommodating urgent needs such as program approvals in meetings outside of the regularly calendared meetings. In the survey, the majority of trustees acknowledged experience in using board portals. The consensus was that the benefits of using a portal outweigh the negatives.

Reser thanked trustees for their participation and recognized Trustee Borkar for her leadership and work with staff on this effort. She also noted that the board assessment will be an annual process and adapted as the Board evolves.

4. Action Items

a. 2016 Committee Work Plan

Chair Reser said that the proposed committee work plan was based on best practices from the Association of Governing Boards (AGB) and could include additional items identified at the October retreat, high-risk items identified in the university risk management discussion to be held in 2016, and trustee comments from the board assessment. The Committee reviewed and discussed the proposed work plan. In light of the recent tragedy at Umpqua Community College, the members requested that a risk management topic addressing security and safety practices on the University campuses be included on the work plan. Chief Audit Executive Patti Snopkowski advised that the January meeting will include a report on top university risks and emergency planning would likely be one of the top risks listed for further evaluation. With other concerns expressed by Committee members, Reser requested a specific presentation be made on campus security and emergency response at the January meeting.

Following discussion, a motion was made and seconded to approve the proposed 2016 Committee Work Plan as presented, recognizing that there may be additions as the Committee moves forward. The motion carried.

b. Office of Audit Services Quarterly Report

Chief Audit Officer Patti Snopkowski reported on audit services for the past quarter. The report highlighted the audits released, work in progress, and changes to the audit plan. Snopkowski noted all recommendations contained responsive management actions and noted a follow up of open recommendations will be reported out in March.

Snopkowski also reported out on the status of the University-wide hotline services providing a summary of the nature of the complaints as well as the actions taken to proactively and adequately address issues noted.

Snopkowski discussed the process for developing the 2016 audit plan and preparing for the scheduled peer review that is required by auditing standards.

Following discussion, a motion was made and seconded to accept the October 2015 Quarterly OAS Progress Report. The motion carried unanimously.

c. Standards for Foundations and Agreement with OSU Foundation

Chair Reser asked President Ray to provide an overview of the proposed new agreement between the University and the OSU Foundation. Ray noted that the new agreement codifies the collaborative relationship between the two organizations on fundraising activities and campus projects.

Trustee McComb asked whether, under this agreement, the Foundation would work with the Provost and deans. General Counsel Becca Gose assured her that the agreement requires Foundation leaders to collaborate with and support University leadership. Reser confirmed that the agreement would ensure that it is tied to the strategic plans of the University and the Foundation.

Trustees asked questions for clarification of various parts of the proposed agreement. To provide General Counsel with time to clarify items within the agreement and to make amendments to it, Chair Reser proposed that the item be tabled and brought to the full Board for consideration.

d. Trustee Recommendation Policy

Reser explained that the proposed policy was developed to establish a process for filling Board vacancies. She asked Board Secretary Colbert to describe the amendments to the proposed policy that had been proposed at the previous Committee meeting.

Colbert summarized the proposed nomination and approval activities and the anticipated timeline for the upcoming legislative session. She asked trustees who had names for consideration and inclusion on the matrix to send those names to the Board Office.

Following discussion, a motion was made and seconded for the Committee to recommend to the Board that it adopt the Resolution establishing a policy for nominating at-large Board positions as provided in the attachment. The motion carried.

e. Board Officers' Report: FY2015 Presidential Assessment

Reser said that board officers followed guidelines established in policy to conduct their assessment of President Ray's FY2015 performance. Schueler asked whether all of the performance metrics included in the review will be used in the next assessment. Reser affirmed that the metrics would be used but that next year's assessment would be a comprehensive review. Ray explained that the metrics used were clustered around the Strategic Plan's three goals and have expected achievement by 2018; however, the Board may decide to use different metrics. Reser also explained that, as detailed in the presidential assessment policy, the president was to provide eight items for use in evaluating the president's performance and that the included metrics were intentional to the Strategic Plan and that the next assessment metrics will also be tied to the 10-Year Business Plan.

A motion was made and seconded for the Executive & Audit Committee to recommend to the Board that it accept the Board Officers' report on the FY2015 Presidential Assessment. The motion carried.

5. Education/Discussion Item

a. Compliance & Ethics Program

Due to time constraints, this item was carried over to the October 16 Board meeting.

6. Adjournment

With no further business proposed, Chair Reser adjourned the meeting at 10:30 a.m.

Respectfully submitted,



Debbie Colbert
Board Secretary