



The Board of Trustees of Oregon State University

Regular Meeting of the Executive & Audit Committee

May 28, 2015

Willamette Room, CH2M Hill Alumni Center
Corvallis, Oregon

MINUTES

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

Other Trustee Present: Brenda McComb

University Staff Present: Lois Brooks, Steve Clark, Debbie Colbert, Becca Gose, Mark Huey, Sam Kahn, Julee Otter, Patti Snopkowski, and Marcia Stuart.

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

Committee Chair Pat Reser called the meeting to order at 12:17 p.m., asked the assistant board secretary to call the roll, and noted a quorum.

2. Consent Item

a. Minutes of the April 23, 2015 Executive & Audit Committee Meeting

A motion was made and seconded to approve the minutes of the April 23, 2015 Executive & Audit Committee meeting. The motion carried unanimously.

3. Action Items

a. FY2016-2020 Presidential Employment Agreement

Chair Reser discussed the reasoning behind the proposal to provide President Ray with a five-year employment agreement and reminded the Committee of the process it had undertaken to develop the presidential assessment policy. Reser walked through sections of the agreement with the Committee, highlighting items from President Ray's present employment agreement that had been changed. Reser noted that the university sold the official presidential residence and suggested that section 5.6 of the agreement be changed as follows: "the an official university residence."

Following discussion, a motion was made and seconded to recommend to the Board that it approve the Employment Agreement and Notice of Appointment as provided in Tab F, Attachment 1, as amended. The motion carried unanimously.

b. Office of Audit Services Quarterly Report

Chief Audit Officer Patti Snopkowski introduced her colleagues, University Senior Auditor Julee Otter and Information Systems Auditor Sam Kahn, and provided the Committee with a summary of the work performed by the Office of Audit Services since its last report. She asked Otter to provide background on the audit of Ecampus financial aid controls. Otter provided the summary and noted that control enhancements are

TAB A

being made, including ongoing data analytics for all student financial aid and staff training. Otter also summarized OAS' report on motor pool operations, noting that no issues were found with overall accuracy of billing activity and vehicle maintenance, inventory, or insurance processes. Kahn discussed the importance of auditing to the university's information security, noting that it represents a high risk to the university operations and reputation should data be lost or stolen. Trustee Schueler thanked OAS staff for the quality of their recommendations. Snopkowski then provided an update on the list of audits for 2015, noting that OAS will add an audit of the Environmental Health and Safety Office to the 2015 plan and that this addition may result in an adjustment to the 2015 calendar audit plan.

Trustee Borkar requested that staff regularly report metrics on the use of the OSU Hotline. Snopkowski said that OAS would incorporate that information into future quarterly reports.

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

4. Education/Discussion Items

a. Information Security

Provost Randhawa introduced Vice Provost for Information Services Lois Brooks who made a presentation to the Committee on Information Security. Brooks provided an overview of current risks facing the university from the national and global environments and progress achieved to date by OSU in the areas of governance, organization, technology, and education and engagement. Brooks also described the roadmap for OSU moving forward, which includes an update to university policy for security and data management, a comprehensive user ID approach, and investment in additional technology.

b. Trustee Recommendation Policy

Reser asked Board Secretary Debbie Colbert to provide the Committee with an overview of the draft Trustee Recommendation Policy. Colbert made a presentation on the draft policy. Trustees agreed to replace "institutional memory" (III. Board Composition, list of trustees' backgrounds, experiences, and skills, #5) with "institutional knowledge of Oregon State University," recognizing the value for both the Board and the university of including trustees who have a history with the university. In concluding her presentation, Colbert walked trustees through an "Odd Years/Even Years" PowerPoint slide, which provided an overview of Board activities related to trustee appointment, Board Officers elections, committee assignments and Board and trustee performance assessments. Colbert said she would bring back to the Committee a revised policy for its consideration.

5. Adjournment

With no further business proposed, Chair Reser adjourned the meeting at 2:01 p.m. and thanked everyone who attended for their participation.

Respectfully submitted,

Mark C. Huey
Assistant Board Secretary