



The Board of Trustees of Oregon State University

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<http://oregonstate.edu/leadership/trustees>

To: Executive & Audit Committee
From: Pat Reser, Committee Chair
Subject: 2017 Committee Proposed Work Plan
Date: September 2, 2016

I am looking forward to a conversation with you about the work of our Committee in the year ahead. As you prepare for our September 12 meeting, I encourage you to review our charter (**Attachment 1**). It's also worth reviewing the extensive work we've done so far this year and will complete by the end of the year (**Attachment 2**). Both of these attachments will be good references as we look to next year and discuss the draft 2017 work plan provided in **Attachment 3**.

Thank you for your thoughtful engagement as Committee members.

TAB E

Attachment 1

Executive & Audit Committee Charter

The Executive and Audit Committee is established. The Committee is empowered to act for the Board in the case of emergency between regular Board meetings and to assist the University in its oversight of the University's financial practices and standards of conduct, as provided in this policy.

The Committee shall have the following five voting members: the Chair of the Board, the Vice Chair of the Board, the Chair of the Academic Strategies Committee, the Chair of the Finance and Administration Committee, and one at-large member appointed from among the remaining trustees. The President is an ex-officio, non-voting member of the Executive and Audit Committee. The Chair of the Board is the Chair of the Executive and Audit Committee.

The Committee is empowered to act for the Board if the Committee determines an emergency exists between regular Board meetings on any matter except the following, which shall be reserved for the Board: (1) presidential hiring, evaluation and removal; (2) election of Board officers; (3) changes in the mission and purposes of the University; (4) amendments to the bylaws; (5) sale or purchase of real property; (6) condemnation of real property; (7) determination of tuition and mandatory enrollment fees; and (8) adoption of the University budget.

The Committee's areas of responsibility are to assist the Board in: (1) oversight of the institution's standards of conduct; (2) overseeing audit activities, including internal and external audits; and (3) monitoring the University's internal control structure to ensure key risk, compliance, and regulatory requirements are met. In addition, the Committee is responsible for such other matters as may be referred to it by the Board.

The Committee has the authority, through its Chair or a majority vote of its voting members, to ask management to address specific issues within the mandate of the Committee, as well as the authority to engage independent legal counsel and other professional advisers to carry out its duties.

The Committee is responsible for making nominations to the Board for Board officers. The Offices of the Secretary to the Board and the Chief Audit Executive are responsible for providing staff support to the Committee.

Document History:

- Adopted by the Board of Trustees January 9, 2014
- Amended March 13, 2014



Executive & Audit Committee
2016 Work Plan – Adopted October 2015
Annotated to Reflect
Work Completed, Adjustments, and Additions
(shown in red)

The Executive & Audit Committee work plan provides a general road map to ensure the committee meets its charter obligations and responsibilities assigned in board policies.

Work Plan Items

| Meeting Dates 2016 | Item | Link to Charter/ Policy |
|---------------------|---|--|
| Jan 28, 2016 | FY2015 External Auditor Annual Report (with Finance & Administration Committee) ✓ | Charter: Oversee audit activities |
| | Office of Audit Services (OAS) 2015 Final Progress Report (Accept) ✓ | Charter: Oversee audit activities |
| | OAS 2016 Audit Plan (Accept) ✓ | Charter: Oversee audit activities |
| | Review of OAS Charter & Organizational Independence (Accept) ✓ | Charter: Oversee audit activities |
| | University Risk Management (URM) ✓ | Charter: Monitor risk |
| | FY2016 Comprehensive Presidential Assessment Methods and Timeline ✓ | Linked to Presidential Assessment Policy |
| | Election or Re-election of Board Officers (Recommend to Board) ✓ | Linked to Board Officers Policy |
| | HECC Evaluation Framework for Governing Bodies ✓ | |
| Mar 30, 2016 | OAS Quarterly Audit Report, including comprehensive review of open audit recommendations and status (Accept) ✓ | Charter: Oversee audit activities |
| | Compliance Topic (<i>Converted to URM Review</i>) ✓ | Charter: Monitor compliance |
| | Presidential Recruitment (<i>Carried over to Oct 20</i>) & Compensation Policy (<i>Approved at the Jan 28, 2016 meeting</i>) ✓ (Recommend to Board) | |
| Jun 2, 2016 | OAS Quarterly Audit Report (Accept) ✓ | Charter: Oversee audit activities |

TAB E

| Meeting Dates 2016 | Item | Link to Charter/ Policy |
|----------------------------------|--|--|
| Jun 2, 2016 | Risk Management Topic (In lieu of this topic, an update on URM efforts was provided as part of OAS Quarterly Report. ✓) | Charter: Monitor risk |
| | 2017 Board Calendar ✓ | Linked to Board Calendar Policy |
| | Needs Assessment for Trustee Recommendation Process (No new appointments) | Draft Policy: Trustee Nomination |
| | FY2016 Presidential Comprehensive Assessment Update ✓ | Linked to Presidential Assessment Policy |
| Sept 12, 2016 Telephonic Meeting | University Relations & Marketing Strategic Plan | |
| | University Risk Management Topics Assigned to Committee | Charter: Monitor risk |
| | Annual Compliance & Ethics Program Report, including comprehensive annual analysis of hotline and complaints | Charter: Oversee audit activities and standards of conduct Charter: Oversight of institution's standards of conduct |
| | Review Board Assessment Survey Results | Bylaws of the Board of Trustees |
| Oct 20, 2016 | OAS Quarterly Audit Report (Accept) | Charter: Oversee audit activities Charter: Oversight of institution's standards of conduct |
| | OAS Quality Assurance Review Report (Accept) (Moved to Jan 19, 2017) | Charter: Oversee audit activities |
| | Review Potential Candidates for Board Positions for Submittal to Governor (Accept) (No new appointments) | Anticipates steps identified in the Trustee Nomination Policy |
| | Annual Review of Delegation of Authority (Recommend to Board) | Linked to annual review requirement for Delegation of Authority to the University |
| | Board Officers' Report: FY2016 Comprehensive Presidential Performance Assessment (Recommend to Board) | Linked to Presidential Assessment Policy |
| | Annual Committee Work Plan (Accept) | Linked to Board Officers Policy |
| | General Counsel Annual Report | Charter: Ensure key risk, compliance, and regulatory requirements are met |

Past Committee Activities (in addition to approval of minutes and quarterly reports, as of June 2, 2016)

- Apr 2014: Recommendation on 2015-17 Funding Request for Capital Construction Projects
- Jul 2014: Approval of Committee Charter Amendment
- Jul 2014: Recommendation on Resolution Delegating Authority to University
- Jul 2014: Recommendation on Presidential Contract for FY2015-2016
- Oct 2014: Selection of Audit Service Provider
- Jan 2015: Approval of FY2014 External Auditor Annual Report (Joint Meeting with FAC)
- Jan 2015: Approval OAS 2014 Final Audit Progress Report
- Jan 2015: Approval of OAS 2015 Audit Plan
- Apr 2015: Recommendation on Presidential Assessment Policy
- May 2015: Recommendation on FY2016-2020 Presidential Employment Agreement
- May 2015: Information Security
- Oct 2015: Standards for Foundations and Agreement with OSU Foundation
- Oct 2015: Trustee Recommendation Policy
- Oct 2015: Board Officers' Report: FY2015 Presidential Assessment
- Oct 2015: Compliance & Ethics Program
- Jan 2016: FY2015 Annual Financial Statements (Joint Meeting with FAC)
- Jan 2016: OAS Charter & Organizational Independence
- Jan 2016: OAS 2015 Final Progress Report and 2016 Audit Plan
- Jan 2016: Presidential Compensation Philosophy
- Jan 2016: Presidential Compensation Adjustment
- Jan 2016: Election or Re-election of Board Officers
- Jan 2016: University Risk Management
- Jan 2016: FY2016 Comprehensive Presidential Assessment Method and Timeline
- Jan 2016: HECC 2015 University Evaluation: Governing Board Focus Area
- Mar 2016: Presidential Recruitment Policy
- Mar 2016: University Risk Management – Risk Assignments
- Jun 2016: FY2016 Presidential Comprehensive Assessment Update
- Jun 2016: Development of a Presidential Selection Policy
- Jun 2016: Naming Practices for Major Organizational and Academic Units



**Executive & Audit Committee
2017 Work Plan**

The Executive & Audit Committee work plan provides a general road map to ensure the committee meets its charter obligations and responsibilities assigned in board policies.

Work Plan Items

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|---------------------|--|---|
| Jan 19, 2017 | FY2016 External Auditor Annual Report (with Finance & Administration Committee) | Charter: Oversee audit activities |
| | Office of Audit Services (OAS) 2016 Final Progress Report (Accept) | Charter: Oversee audit activities |
| | OAS 2017 Audit Plan (Accept) | Charter: Oversee audit activities |
| | Review of OAS Charter (Accept) | Charter: Oversee audit activities |
| | OAS Quality Assurance Review Report (Accept) | Charter: Oversee audit activities |
| Mar 16, 2017 | OAS Quarterly Audit Report, including comprehensive review of open audit recommendations and status (Accept) | Charter: Oversee audit activities |
| | Risk Management Report - IT Security | Charter: Monitor compliance Matter referred to Committee |
| Jun 1, 2017 | OAS Quarterly Audit Report (Accept) | Charter: Oversee audit activities |
| | 2018 Board Calendar | Linked to Board Calendar Policy |
| | Risk Management Report – All Hazards Planning | Charter: Monitor compliance Matter referred to Committee |
| Oct 19, 2017 | OAS Quarterly Audit Report (Accept) | Charter: Oversee audit activities |
| | | Charter: Oversight of institution's standards of conduct |

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| Oct 19, 2017 | Annual Compliance & Ethics Program Report, including comprehensive annual analysis of hotline and complaints | Charter: Oversee audit activities and standards of conduct Charter: Oversight of institution's standards of conduct |
| | Board Officers' Report: FY2017 Presidential Performance Assessment (Recommend to Board) | Linked to Presidential Assessment Policy |
| | Annual Review of Delegation of Authority (Recommend to Board) | Linked to annual review requirement for Delegation of Authority to the University |
| | Annual Committee Work Plan (Accept) | Linked to Board Officers Policy |
| | General Counsel Annual Report | Charter: Ensure key risk, compliance, and regulatory requirements are met |

Future Work

- Needs Assessment for Trustee Recommendation Process (as necessary based on vacancies)
- Summer 2019: Presidential Employment Agreement