



## The Board of Trustees of Oregon State University

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### Meeting of the Executive & Audit Committee

June 2, 2016

Horizon Room, Memorial Union, OSU  
Corvallis, Oregon

### MINUTES

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

**Other Trustees Present:** Mark Baldwin

**University Faculty and Staff Present:** Steve Clark, Debbie Colbert, Jon Dolan (*Assistant Vice Provost, Information Services*), Becca Gose, Mark Huey, Clay Simmons, Patricia Snopkowski, and Marcia Stuart

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

Committee Chair Pat Reser called the meeting to order at 10:02 a.m., asked the assistant board secretary to call the roll, and noted a quorum.

#### 2. Consent Agenda

##### a. Minutes of the June 2, 2016, Executive & Audit Committee Meeting

A motion was made and seconded to approve the item on the consent agenda, the minutes of the June 2, 2016, Committee meeting. The motion carried.

#### 3. Education/Discussion Items

##### a. Annual Compliance and Ethics Program Overview

Chair Reser asked General Counsel Becca Gose to introduce a presentation on Oregon State University's compliance and ethics program. Gose said that OSU uses federal sentencing guidelines for establishing an effective compliance and ethics program. The purpose of the program is to demonstrate that the university exercises due diligence to prevent and detect criminal, illegal and/or unethical conduct and to promote an institutional culture that encourages ethical conduct and a commitment to compliance with the law. Gose asked Chief Compliance Officer and Interim Executive Director, Equal Opportunity and Access, Clay Simmons to speak about the compliance program at OSU. Simmons provided several examples to demonstrate the various regulatory programs with which OSU must comply. He said that individual units across the university are responsible for managing daily risk. The Office of University Compliance provides guidance and tools for these offices and escalates risk when necessary to the Compliance Executive Committee. Simmons summarized the elements of the compliance and ethics program and spoke about the university's policies and standards, which provide the framework within which the institution functions and promotes compliance with the law and aligns university activities with SP3.0. Chief Audit Executive Patti Snopkowski described the oversight process for the compliance and ethics

program, noting that the Office of university Compliance consults with the Office of Audit Services (OAS) and the Office of the General Counsel (OGC) on risk evaluation. Simmons described the due diligence process for delegating authority at the university and the training that is currently in place and the work underway to establish general and job-specific employee education curricula. Snopkowski summarized the auditing and monitoring services provided by the Office of Audit Services, noting that OAS has developed a tool to help departments monitor for compliance and has contracted with a third party to administer an independent hotline for users reporting alleged fraud and abuse situations. Gose summarized compliance enforcement and discipline at OSU, and Snopkowski concluded the presentation by speaking about responses taken to address and prevent non-compliance, fraud, waste and abuse and reminding the Committee that it has a monitoring and oversight process in place through reports from the OAS and the OGC. Trustee Callahan recommended that staff consider recognizing individuals and teams whose work positively reflects the importance of compliance at OSU.

**b. University Risk Management Topics Assigned to Committee**

Reser asked Snopkowski to introduce the agenda item. Snopkowski reminded the Committee that OSU senior leaders initiated the University Risk Management Initiative in 2015. The goals of the URM are to identify top risks that may hinder OSU's ability to achieve the objectives outlined in Strategic Plan 3.0 (SP3.0), to implement activities intended to mitigate each risk the university identified, and to provide senior university leadership and the Board with a tool to monitor progress in implementing the risk mitigation activities.

Snopkowski said the university's leadership presented to the Executive & Audit Committee a list of what senior university leaders had identified as the top risks, those issues most likely to hinder OSU's ability to meet university-wide objectives. The Committee reviewed a model for developing action plans to mitigate top risks and assigned the risks to the three Board committees, based on alignment with each Committee's charter and work load. She noted that the action plans would be refined over the next year, particularly with regard to establishing goals and metrics. She said the goal of the presentation was to familiarize the Committee with the proposed approaches to mitigation, noting that staff responsible for risk mitigation have either already developed more detailed plans or were in the process of developing them.

Snopkowski called on Interim Vice President for Finance and Administration Mike Green to speak on All-Hazards Planning. Green summarized the objectives and actions to take under the mitigation plan for this risk, noting that the risk mitigation team would provide the Committee with a progress report at its June 2017 Committee meeting. In response to a question about the university's preparedness for emergency situations such as an earthquake, bomb threat or active shooter, Green said that the university's emergency management office has emergency response procedures in place. Green said that OSU uses the university's home page, OSU Facebook and Twitter accounts, and OSU Alerts, which broadcast emergency messages via texts, phone calls and emails to faculty, staff and students to get out word to the community. In addition, the university has developed an Emergency Plan app to bring users timely information.

Snopkowski then called on Assistant Vice Provost for Information Services Jon Dolan to speak on information technology security and the development of a risk mitigation plan



to address that priority risk. Dolan summarized the risk mitigation plan, noting that metrics for this risk are still being developed. Dolan also said that the Committee will receive an annual progress report, which will include trends and significant incidents that have taken place over the past year. Dolan also responded to trustees' inquiries about the university's efforts to ensure that data and important business functions could be maintained or quickly restored in an event that significantly impacts the Corvallis campus.

**c. 2016 Board Assessment Results**

Reser asked Board Secretary Debbie Colbert to summarize the results of the 2016 Board Assessment and highlight the results of responses to questions related to the Executive & Audit Committee. Colbert thanked Trustee Rani Borkar for her work in developing the assessment instrument. Colbert then provided an overview of the results, noting that the average of the response "scores" for the assessment statements suggest that trustees feel a strong sense of satisfaction in being connected to OSU, helping to fulfill its mission and working with each other, students and staff. Overall, trustees indicated they believe that strong relationships and a positive culture exist at all levels of their interactions and that Board and Committee leadership is highly effective. Colbert called out specific comments E&A Committee members made to the survey's open-ended question on ideas for future Committee meetings. Trustees expressed interest in continuing to receive information about trends in national higher education and, as noted above, in the Board Office moving the staff toward shorter staff presentations and more concise dockets to allow for more trustee discussion time.

**d. 2017 Committee Work Plan**

Reser highlighted the links to the Committee's charter or to Board policy that were provided in the revised Committee work plan. She also highlighted the Committee charter and the list of items the Committee addressed during the past year.

**e. University Relations & Marketing**

Reser asked Vice President for University Relations and Marketing (URM) Steve Clark to speak about URM and its management of the university's brand and its development of integrated strategies in marketing, communications and public affairs. Clark provided an overview of the work of his division and the services it provides to the university. He said that URM's primary goal is to serve SP3.0 and Oregon State's success in a strategic way. He then focused on a discussion of branding and marketing, noting how they differ, and how his division has been working on a more authentic and differentiated brand for OSU. He finished his presentation by speaking briefly on the division's communications and public affairs efforts and taking questions and comments from Committee members. Reser asked how Oregon State's mission is being translated for the 21<sup>st</sup> Century. Clark spoke about efforts to celebrate Oregon State's sesquicentennial, beginning next year, with strong emphases placed on promoting the university's economic impact on the state and region and the effect it continues to have on the people whom it serves.

#### **4. Adjournment**

With no further business proposed, Chair Reser adjourned the meeting at 12:24 p.m.

Respectfully submitted,



Mark C. Huey  
Assistant Board Secretary