



MINUTES

Committee Members Present: F. King Alexander (*ex officio*), Rani Borkar (*chair*), Patty Bedient, Julia Brim-Edwards, Preston Pulliams, and Kirk Schueler (*vice chair*)

Other Trustees Present: Mike Bailey, Darry Callahan, Michele Longo Eder, Paul Kelly, and Julie Manning

University Staff Present: Charlene Alexander, Jennifer Almquist, Shanon Anderson, Andrea Ballinger, Steve Clark, Debbie Colbert, Ed Feser, Alix Gitelman, Becca Gose, Mike Green, Cathy Hasenpflug, Dan Larson, Paul Odenthal, Julee Otter, Lauren Skousen, Patti Snopkowski, and Irem Tumer

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

Committee Chair Rani Borkar called the meeting to order at 8:03 a.m., asked the board secretary to call the roll, and noted a quorum. Borkar then made a land acknowledgement statement.

2. Consent Agenda

a. Minutes of the November 20, 2020 Executive & Audit Committee Meeting

A motion was made and seconded to approve the minutes of the November 20, 2020, Executive & Audit Committee meeting. The motion carried.

3. Action Item

a. Office of Audit, Risk and Compliance 2020 Final Progress Report & 2021 Annual Plan

Borkar asked Chief Audit, Risk and Compliance Executive Patti Snopkowski and Deputy Chief Audit, Risk and Compliance Executive Julee Otter to present this item. Snopkowski began by noting that in 2020 the Office of Audit, Risk and Compliance (OARC) annual performance metrics were in line with industry benchmarks. She provided an overview of 2020 activities and spoke to the need of OARC to remain agile in order to address risks as they were presented. For example, although only 50% of the 2020 audit plan was completed, staff were able to pivot and focus engagements in response to the COVID-19 pandemic. Snopkowski summarized planned 2021 activities, including maturing OSU's enterprise risk and compliance programs, enhancing training and outreach on a number of key topics, and working with compliance partners to navigate the pandemic. Snopkowski spoke about the internal audit function and noted an emphasis on supporting coordination of external audits that will increase in the upcoming year as a result of increased federal awards and audit requirements and ongoing consideration of external threats. She said another activity would be completion of an external quality assurance review of the internal audit function, which is required by auditing standards. Borkar remarked on the changing risk

environment and commended staff for their adaptability in responding. President F. King Alexander added that the pandemic has dramatically shifted the top risk items that higher education is facing. Snopkowski concluded with OARC comments on organizational structure independence and resource levels as required by auditing standards. Snopkowski noted that the OARC is independent given its reporting relationship to the committee. She also noted that a review of the resources and staffing levels would take place as part of the standard university budget process.

Next, Otter provided an overview of the 2020 complaint summary, which includes complaints made through the hotline and directly to the OARC. She discussed the number of complaints received benchmarked to western peer institutions. Otter noted the lower number of complaints from the previous year. She said this was likely due in part to a higher than average number of complaints in 2019 following extensive outreach, awareness, and training conducted by the OARC. Otter added that given similar decreases in 2020 complaints among peers it also is likely that the pandemic has been a factor. She shared that complaints were received from seven of the nine functional units of the university, spanning nine of the eleven complaint categories. Otter described the timeliness of responding to complaints, noting that the average time to resolution is 11 days. She noted that each complaint is assessed upon receipt and prioritized based on risk level with a majority identified as low to medium risk. Those identified as high risk were prioritized and responded to immediately. She described next steps for 2021, including expanding office outreach and making greater use of data analytics.

Following the report, Trustee Kirk Schueler asked whether OARC tracks the relationship to the university of individuals making complaints through the hotline. Otter said that most complaints are made anonymously; however, OARC could likely make a determination based on the nature of the complaint. She added that if a review of the data indicated that particular groups were using the hotline less frequently, additional outreach could be done. Trustee Julia Brim-Edwards asked whether there is any central tracking of all complaints received throughout the university. Snopkowski said that while the unique nature of complaints received across offices makes central tracking difficult, the ongoing collaborative work among compliance partners assists in monitoring possible trends across the university. In response to a question from Trustee Patty Bedient about possible internships, Snopkowski said she would continue to work with the College of Business to explore opportunities.

A motion was made and seconded to recommend that the Executive & Audit Committee approve the Office of Audit, Risk and Compliance's 2020 Final Progress Report and 2021 Annual Plan. The motion carried.

4. Discussion Items

a. Risk Discussion

Borkar reminded trustees that this item had been carried over from the November meeting due to time constraints. She said the informal panel discussion would provide an opportunity for trustees to gather thoughts from a number of senior leaders on how the risk environment has changed given the impacts of the pandemic and other national events. Borkar said that it was an

opportunity for trustees to share their perspective on risks and opportunities. She added that the panel discussion would not replace the more formal discussion of enterprise risk management set for April. She then asked President Alexander to reflect on the changing risk landscape in higher education. He shared some of the ongoing shifts, such as those related to funding levels and enrollment, and noted that the pandemic has led to some more sudden shifts, such as changes to the environment for work and learning and a near halt to international enrollment. Alexander noted that another shift is toward greater unpredictability in the higher education landscape, adding that institutions that become more adaptable will likely fare better immediately post-pandemic and beyond.

Borkar asked Snopkowski to help facilitate the conversation and introduce the panelists. Snopkowski welcomed Vice President and Chief Diversity Officer Charlene Alexander, Vice Provost for University Information and Technology Andrea Ballinger, Provost and Executive Vice President Ed Feser, Vice Provost for Undergraduate Education Alix Gitelman, Vice President for Finance and Administration Mike Green, Chief Human Resources Officer Cathy Hasenpflug, and Vice Provost for Student Affairs Dan Larson. In response to a question from Trustee Preston Pulliams, Feser and Green spoke about the university's approach to economic recovery in both the near and longer-term, including pursuing innovation and more diversified revenue streams, all grounded in the university's strategic plan. Bedient noted the increased enrollment in Ecampus and asked what trends leaders are anticipating in the ways students will want to learn and what any trends might suggest for how the university will approach capital planning. Gitelman spoke about how the approach to instruction is changing and shared her perspective on trends in how students are approaching their learning, such as placing a greater emphasis on flexibility. Green reflected on how the university's approach to capital planning is shifting as observed both in immediate adjustments because of the pandemic and in how longer-term planning is being conducted. In response to a question from Schueler about shifts in the online learning environment, Feser noted that there will be greater competition and said that OSU is already working to respond by accelerating program delivery and exploring opportunities to expand into the online international market. Borkar observed that not only is higher education itself evolving as an industry, it is poised to assist other industries and the workforce in responding to changes. Hasenpflug described changes being observed in workforce planning and development and the changes in expectations from employees. Ballinger spoke to the evolving landscape of information technology and noted the importance of increasing access to technology. In response to a question from Pulliams about shifts in the approach to the work of advancing equity, inclusion, and diversity, Vice President Alexander spoke about both an increase in external stressors and a move toward greater engagement with such topics as racism and antiracism. Schueler asked about student mental and physical health and wellness, and Larson spoke about the increase in mental health needs because of the pandemic and ways that the university is working to provide support to students. In closing, Snopkowski reminded Executive & Audit Committee members that they would review the top enterprise risks at their next meeting. Borkar remarked on the timeliness of the discussion and thanked trustees for sharing their thoughts about the evolving higher education environment.

b. Public Safety Update

Borkar began by welcoming Shanon Anderson, OSU's new associate vice president for public safety and Corvallis campus chief of police. She then invited Anderson, Green, Vice President Alexander, and Senior Vice President for Administration Paul Odenthal to provide an update. Green began with an update about the law enforcement transition on the Corvallis campus, which he said had gone well and had highlighted the benefit to the university of having oversight and responsibility for its own law enforcement. Alexander welcomed Anderson who introduced herself and spoke about her background before arriving at OSU. She provided an update on staffing, noting that several searches are underway to fill key positions. Anderson spoke about some of the work officers are doing, and she emphasized officers' dedication and commitment to being part of the university community.

During discussion, Schueler asked what is being done to align the work of the department with the values of the university. Green said the work begins with recruiting and selecting officers who see themselves as directly supporting the mission of the university. Odenthal added that the values are also expressed in the work they are doing on campus. He said the advisory committee would help provide oversight. Alexander said that Anderson is providing regular updates. Borkar thanked staff and said the committee would look forward to future updates.

5. Adjournment

With no further business proposed, Chair Borkar adjourned the meeting at 9:36 a.m.

Respectfully submitted,



Jennifer M. Almquist
Assistant Board Secretary