



Oregon State
University

The Board of Trustees of Oregon State University

Regular Meeting of the Executive & Audit Committee

January 27, 2022

8:00 – 9:15 am

Horizon Room, Memorial Union Room 049
Corvallis, Oregon

Committee Members Present: Patty Bedient (vice-chair), Julia Brim-Edwards, Darry Callahan, Becky Johnson (*ex officio*), Preston Pulliams, Kirk Schueler (chair)

Other Trustees Present:

University Staff Present: Shanon Anderson, Jackie Bangs, Ed Feser, Becca Gose, Mike Green, Jen Humphreys, Paul Odenthal, Julie Otter, Lauren Skousen, Patti Snopkowski, Scott Vignos

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

Chair Schueler call the meeting to order at 8 a.m. and asked Board Secretary Jackie Bangs to take roll. Bangs called the roll and noted a quorum. Schueler then conducted a land acknowledgement.

2. Consent Agenda

a. Minutes of the October 7, 2021 Executive & Audit Committee Meeting

A motion was made and seconded to approve the meeting minutes of the October 7, 2021 Executive & Audit Meeting and the motion carried.

3. Action Items

a. Office of Audit, Risk and Compliance (OARC) 2021 Final Progress Report & 2022 Annual Plan

Schueler welcomed Chief Executive of Audit, Risk and Compliance Patti Snopkowski and Deputy Chief Audit, Risk and Compliance Executive Julie Otter. Snopkowski began by explaining the background and reason for the annual report. Snopkowski noted the purpose of the office's annual report is to hold the OARC accountable to its mission as outlined in the charter and ensure value added services are being provided. Snopkowski highlighted the mission is to identify ways to improve the efficiency and effectiveness of operations and help validate accurate financial reporting. Snopkowski also noted they are to promote ethics, sounds risk assessment practices and a balanced approach to compliance, all of which enhances the university's creditability to all stakeholders.

Snopkowski noted she will cover the 2021 key performance indicators (KPI) which helped gauge whether they are meeting the mission and go over the plans for 2022 after Otter provided a summary of last quarter's reports.

Otter shared that Bill Draper was recently hired as assistant director of IT Audit, a key campus partner for IT specialists.

Otter then provided an overview of the last quarter reports and talked about the accountability and integrity hotline managed that is by OARC. Otter stated the hotline is available to report any concern including anonymous reports. Otter said the report reflects complaints received by OARC and noted that other units have robust reporting and investigation mechanisms, and that the numbers for the OARC-managed hotline do not encompass all reports that come into OSU. Otter said that OARC will refer or forward matters to those other offices as appropriate. Otter shared that OARC monitors the number and type of complaints and inquires with units on their efforts. Otter referred to the 2022 compliance project of investigation coordination, which will share best practices and continually improve practices. Otter shared that the 2021 top three types of complaints are financial irregularity, human resources and equity and inclusion. Otter noted overall the trends appear in line with peer group analysis.

Chair Schueler asked about what complaints are investigated by OARC. Otter responded that every complaint that comes in is reviewed at some level, and that they keep all financial irregularity complaints and refer others to different offices as appropriate and will conduct follow up to inquire about status.

Snopkowski then spoke about key performance indicators (KPI's) for 2021 and related benchmarks. Snopkowski noted that compliance does not have industry-wide benchmarks as audit does. Snopkowski said that the overall results were in line in line with industry with slight variances and results related to staff interactions were very good. Snopkowski noted the implementation rate of audit recommendations was low. Snopkowski stated it may be a result of the pandemic

Trustee Bedient asked about the implementation rate KPI and whether there were any outstanding high-risk areas that are being worked on. Snopkowski said the Research Office as well key fiscal cycles related to payments, payroll and human resources are the high priority audits that are open. Trustee Richards asked about how OARC targets are calculated. Snopkowski said there are benchmarking surveys that are done via international association of internal auditors, association of college and university auditors and regional peer groups. Snopkowski said that because the compliance groups are not as formalized, they operate with self-imposed standards. Scheuler acknowledged pandemic constraints and highlighted the importance of completing all audit recommendations especially the high-risk areas in the future.

Snopkowski spoke about the 2022 Plan in the context of the OARC's charter, noting that the specific areas are outlined in the committee's written materials. . Snopkowski highlighted as a result of increased demand on the audit services in terms of hotline, external audits and consulting, the 2021 audit plan was not fully completed. Snopkowski noted this trend will likely continue, which is a sign of maturity of the function and university. Snopkowski discussed the OARC plan in terms of deferred maintenance on audit assurance services including human resources, environmental health and safety, OSU's police force implementation and the internal bank. Brim Edwards inquired how these will be accomplished. Snopkowski noted they will be hiring firms and will be doing a new 3-5 year plan on how they can get more audit coverage. Snopkowski noted less time will be spent on consulting. Callahan noted that the value of consulting should be not discounted and considered as part of the plan. Snopkowski said her office will

also focus on conducting IT audits, preparing self-assessment tools and a data analytics program, instruction and addressing NCAA guidelines.

A motion was made to approve 2021 Final Progress Report and the 2022 Annual Plan. The motion was seconded and was carried.

b. Enterprise Risk Management Report

Schueler welcomed Executive Vice President and Provost Ed Feser and the Chief Executive of Audit, Risk and Compliance Patti Snopkowski to provide the enterprise risk management report. Feser said the risk management process is one of many ways to assess risk and opportunity through a particular and systematic lens.

Snopkowski said that OSU leaders seek to identify risks that might impact OSU as a whole and that creating a balanced approach to risk management is everyone's responsibility. Snopkowski then went on to explain the three-stage model that is utilized, and shared background on the process.

Snopkowski noted the recommendation is for the risk topics to be carried over from the prior year. In addition to the traditional board risk reports, a five-year progress report will be compiled for each risk topic. The five-year reports will serve as a guide to determine if changes are needed in next calendar year. Snopkowski also highlighted that her office and Provost Feser will be hosting a senior leadership facilitated discussion of university wide risks and opportunities in the fall, which will also inform the 2023 topics. Lastly, Snopkowski noted, as in the past, evolving risk topics will be embedded into on-going board work.

A motion was made to approve the Risk Management Report. The motion was seconded, and the motion carried.

4. Discussion Item

a. Public Safety Update

Schueler welcomed Associate Vice President for Public Safety and Chief of Police Shanon Anderson, Interim Vice President and Chief Diversity Officer Scott Vignos and Senior Associate Vice President for Administration Paul Odenthal to provide the update. Anderson began by providing a staffing and recruitment update.

Anderson then spoke about policy development and how the public can provide feedback. Anderson said the Committee for Transparent and Accountable Policing and Public Safety (CTAPPS) will soon begin working with partners that represent diverse areas across the university, as well as the Office of General Counsel (OGC).

Anderson shared that the Department of Public Safety (DPS) is considering protocols to help dispatchers determine the types of 911 calls that might best be responded to by an OSU Assist officer in the future, rather than a police officer. Anderson then spoke about the various ways that their department engages with, and works to support the OSU community. Anderson noted that bike theft is a

regular occurrence that is difficult to prevent, and they are applying for grants for bike locks that can be provided to students at no cost.

Anderson shared that video updates on their website and social media continue. Anderson then spoke to training that the department is engaging in, including work with the Office of Institutional Diversity (OID) and several team trainings addressing cultural competency and implicit bias. Anderson shared that DPS is actively attempting to recruit women into law enforcement.

Anderson shared a summary of calls DPS handled Jan. 1 – 20, 2022.

Regarding DPS recruiting, Odenthal shared that many applicants for the open positions are now seeing what is being done within the department via the website and social media. Chief Anderson's approach to policing is attracting applicants.

Vignos spoke about the training that OID has been doing with the department. Vignos explained that the training has been active, dialogic and has allowed participants to engage in difficult conversations and concepts. Vignos expressed appreciation of the intentionality around the creation of the CTAPPS.

Manning asked about how the university dispatch works with the broader 911 system. Anderson said that it is all integrated. If someone calls 911 and it is determined to be an on-campus event, the call is routed to campus resources. There is also a direct number to the OSU Police Department.

Bedient expressed appreciation and acknowledgement for the community engagement and outreach being conducted by Chief Anderson and the DPS team.

Trustee Richards asked about a crime victim liaison position and whether it has been hired. Anderson said it is not currently appointed, but every officer is required to take on that role when needed. Anderson said that working relationships exists with other advocates on and off campus and that officers meet weekly with multiple offices such as University Housing & Dining Services, Equal Opportunity and Access and Student Conduct. She said DPS is also working on relationships with the Center for Rape and Domestic Violence (CARDV) and Benton County Mental Health.

Schueler noted appreciation for the update and underscored the department's importance.

5. Adjournment

With no further business proposed, Chair Schueler adjourned the meeting at 9:24 a.m.

Respectfully Submitted,



Jen Humphreys
Assistant Board Secretary