The Board of Trustees of Oregon State University

Regular Meeting of the Executive & Audit Committee
April 7, 2022
Horizon Room, Memorial Union
Corvallis, Oregon

MINUTES

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

Other Trustees Present: Rani Borkar, Susan Clark, Chávez-Haroldson, Roman Hernández, Julie Manning, Jax Richards, Inara Scott

University Staff Present: Shanon Anderson, Andrea Ballinger, Jackie Bangs, Ed Feser, Becca Gose, Brigitte Graham, Jen Humphreys, Melanie Rose, Shelly Signs, Patti Snopkowski

1. **Call to Order/Roll/Declaration of a Quorum**
   Chair Schueler called the meeting called to order at 8:01 a.m. and Board Secretary Jackie Bangs called role. A quorum was noted and Chair Schueler conducted a land acknowledgment.

2. **Consent Agenda**
   a. **Minutes of the January 27, 2022 Executive & Audit Committee Meeting**
   b. **Minutes of January 28, 2022 Joint Meeting of the Executive & Audit and Finance & Administration Committees**
   A motion was made and seconded to approve the consent agenda. The motion was seconded and carried.

3. **Action Items**
   a. **Office of Audit, Risk and Compliance Progress (OARC) Report**
   Chief Audit, Risk and Compliance Executive, Patti Snopkowski, began by stating that the progress report provides oversight of the office and serves as an avenue for the committee to provide university leaders feedback.

   Snopkowski highlighted two audits and noted that the construction audits ensure OSU is demonstrating sound fiscal stewardship over construction funds and payment applications. Snopkowski then noted the importance of being continually vigilant in the assessment of fiscal controls over account changes. Snopkowski provided a brief update on open audit recommendations. Trustee Callahan asked if there were concerns over the open audit recommendations. Snopkowski noted that the Division of Finance and Administration is working with University Information and Technology to implement automated controls over the vendor payment and payroll processes and also noted the Vice President for Research can speak to actions being taken related to the open research recommendations. Snopkowski added in May she will come back to the committee with a 3-to-5-year internal audit plan, which will include the IT audit plan.

For the compliance section, Snopkowski shared that in addition to projects and committee work, Susan Freccia, director of compliance, has been providing additional ethics training to faculty that has been well received. Snopkowski acknowledged the topic of ethics and culture is routinely discussed at corporate audit committees and noting it is an important topic at OSU as well. Snopkowski highlighted the annual tone at the top ethics email, from the president, which will be sent to the campus community in the next week. Snopkowski said the renewal period of the university's critical training program was just launched this past month, which includes ethics and other important topics including information security.

For the enterprise risk management (ERM) section, Snopkowski said all the ERM topics are on the board committee schedule and noted that ERM is not a static exercise, but rather that all university leaders are empowered to look at risk and opportunities on a routine basis and assess strategies. Snopkowski added that to further expand this culture, plans are underway to look at OSU's risk assessment practices and strategy development. She also highlighted, in conjunction with the Provost's Office, that an outside facilitator will conduct an enterprise risk discussion this fall with senior leaders. Snopkowski ended her remarks by stating that an emerging risk and strategy area in the corporate world is Environmental, Social, and Governance (ESG). Snopkowski said that ESG at OSU is an ongoing conversation and will likely be a reoccurring topic.

A motion was made and seconded to approve the OARC progress report. The motion carried.

b. **Information Technology Ecosystem/Security Report, including Risk Management Report**
Vice Provost for Information and Technology, Andrea Ballinger, spoke about several areas that she has identified for the university to address as a result of her Division's? strategic planning, including building one ecosystem for information technology (IT) at OSU. Ballinger said that an IT road map has been created that defines priorities and measurement tools to track progress and that IT is in year two of the plan. Ballinger noted that the Banner ERP system now has full disaster recovery and then went on to discuss the three major efforts underway by University Information and Technology (UIT), including a data ecosystem with data governance that determines data access permissions, security and privacy; a modern cyber environment program using National Institute of Standards and Technology (NIST) standards which has significantly improved risk exposures; and an identity and smart access program which provides the critical elements to validate identity and determine access.

Following Ballinger's presentation, discussion ensued about mitigating risks in research, phishing risks, and more detail on the identity and smart access program implementation.

A motion was made and seconded to approve the Information Technology Ecosystem/Security Report. The motion carried.

4. **Adjournment**

        Chair Schueler adjourned the meeting at 8:30 a.m.

Respectfully submitted,

Jen Humphreys
Assistant Board Secretary