June 8, 2016  
University Board Room  
Room 515, Academic & Student Recreation Center  
1:30 pm to 3:30 pm

Minutes

Committee Members Present: Gale Castillo, Margaret Kirkpatrick, Rick Miller, Chair Pete Nickerson, and President Wiewel

Committee Members not present: Tom Imeson

Other Trustees Present: Maude Hines, Lindsay Stewart

PSU Staff present included: Christine Croskey, Don Forsythe, David Reese, Kevin Reynolds, David Terry, and Shelley Winn

1. CALL TO ORDER/ROLL/DECLARATION OF QUORUM

Chair Nickerson called the meeting to order at 1:35 pm and the Board Secretary took roll. A quorum was present, and the meeting, having been duly convened, was ready to proceed with business.

2. CONSENT AGENDA

APPROVAL OF MINUTES FROM MARCH 11, 2016 MEETING

Chair Nickerson submitted the minutes from the March 11, 2016 meeting for approval.

ACTION: Miller moved to approve the minutes. Castillo seconded. The motion passed unanimously.

3. INTERNAL AUDIT UPDATE AND REVIEW OF FISCAL YEAR 2017 INTERNAL AUDIT PLAN

David Terry provided a status update on the annual audit plan, hotline complaints, and current projects.
Effective July 1, 2016 the University will be utilizing Light House Services, a third party vendor, for submitting hotline tips. This new contract results in saving of approximately $18,000 over five years. New employee orientation and website information have been updated.

Terry explained the process for the Annual Risk Assessment Review, discussed the heat map for FY 2017 and the eight planned audits. Miller requested the next heat map include the previous year score. It was noted and discussed that Title IX is not called out as a specific item to audit, but it is covered throughout several scheduled audits. Castillo expressed the importance of assuring compliance with Title IX.

As required by the Institute of Internal Auditors, Terry disclosed and discussed Organization Independence (Standard 1110) and the Quality Assurance and Improvement Program (Standard 1320) with the committee.

Chair Nickerson submitted the FY 2017 Internal Audit Plan for approval.

**ACTION:** Kirkpatrick moved to approve the FY 2017 Internal Audit Plan. Miller seconded. The motion passed unanimously. The FY 2017 Internal Audit Plan will be included in the Consent Agenda at the June 16 Board meeting.

**4. Presentation of FY 2015 Single Audit and Introduction to FY 2016 Financial Statement Audit**

Jean Bushong, from Clifton Larson Allen LLP, joined the meeting telephonically and provided an update regarding the FY 2015 federal A-133 Single Audit, which was completed in March 2016. Bushong also provided an overview of the process for auditing the University’s FY 2016 financial statements and the Board’s responsibilities related to the financial statements audit.

**5. Faculty Senate Inquiry Regarding Committee Membership and Participation**

President Wiewel presented the committee with an inquiry received from the Faculty Senate Steering Committee to participate in committee meetings. The committee expressed a desire to have good and productive communications with faculty. The Board Secretary was asked to research the approaches that others universities take with regard to faculty, staff, and student participation on committees and other best practices meant to foster and strengthen shared governance, and to report back to the committee in the fall.

**6. Trustee Recommendation Policy**

The committee discussed proposed changes to the draft policy. The Board Secretary was asked to include this issue in his report back to the committee in the fall regarding best practices.
7. **Discussion Regarding Union Interaction with Board**

Former AAUP President Pam Miller and current President Jose Padin expressed an interest in continuing to build a stronger relationship with the Board. The Interest Based Bargaining model used to reach agreement on the new collective bargaining agreement should be the foundation of the relationship between the faculty, administration, and the Board. A strong interest in shared governance was expressed.

PSUFA President Staci Martin expressed support for stronger relationships and remarked that adjunct faculty are not represented in the Faculty Senate, further increasing the desire for a voice before the Board.

President Wiewel suggested that the represented unions be invited to meet with a relevant Board committee once per year or have all union leaders invited to share remarks with the full Board once a year.

The Board discussed the options of having union representatives at the committees and a desire for consistency. It was agreed the Board is in favor of working in a collaborative manner towards common goals with the unions.

The Board Secretary was asked to include this issue in his report back to the committee in the fall regarding best practices.

8. **Information Follow-up**

   a. **Food Service History**
   b. **Insurance Work Group Report**
   c. **AAUP CBA Summary**

Chair Nickerson remarked on the Food Service History documentation and the Insurance Work Group report. Both subjects have been brought before the full Board in a variety of ways. The information provided was helpful. The AAUP CBA Summary was also helpful in understanding what had been accomplished.

9. **Discussion Regarding Conduct of Board Meeting**

The committee had a brief discussion regarding student interactions with the Board and regarding the May 25, 2016 Special Board Meeting.

With no further comments or questions from the committee, Chair Nickerson adjourned the meeting at 3:41 pm.