Executive and Audit Meeting
Academic and Student Recreation Building
University Board Conference Room 515
1800 SW 6th Avenue
Portland, Oregon 97201
Thursday, 9/1/2016
11:30 AM - 1:00 PM PT

1. Call to Order/Roll/Declaration of Quorum

2. Consent Agenda
   a. Approval of June 8, 2016 Meeting Minutes
      June 8, 2016 Meeting Minutes - Page 2
   b. Approval of August 2, 2016 Meeting Minutes
      August 2, 2016 Meeting Minutes - Page 5

3. Executive Session
   This executive session is held pursuant to ORS 192.660(2)(i), to review and evaluate the employment-related performance of the President of the University.

4. Internal Audit Update

5. Executive Session
   This executive session is held pursuant to ORS 192.660(2)(f) and 192.660(2)(m), to receive an audit report that relates to data and other security measures and that is exempt from public disclosure.

6. Adjourn
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.
Minutes

Committee Members Present: Gale Castillo (telephonic), Tom Imeson, Margaret Kirkpatrick, Rick Miller (telephonic), Chair Pete Nickerson, and President Wiewel

Other Trustees Present: Swati Adarkar (telephonic), Sho Dozono, Maude Hines, and Peter Stott

PSU Staff present included: David Reese and Shelley Winn

Chair Nickerson called the meeting to order at 10:00 am and the Board Secretary took roll. A quorum was present, and the meeting, having been duly convened, was ready to proceed with business.

1. Resolution Regarding Presidential Search Process

Chair Nickerson thanked President Wiewel for his leadership and for providing the Board with significant notice of his retirement as President. Chair Nickerson noted that the hiring of a President is the most important role of a Board. Several trustees discussed the importance of good transition planning and a transition team, in addition to the importance of a good search process.

The Committee discussed the need for an analysis of presidential compensation at comparable institutions and directed the Secretary to the Board to commission such an analysis by an outside consultant.

The Committee discussed the importance of developing a position profile and description of the ideal candidate. Trustee Hines expressed that the Faculty Senate and other stakeholders will be interested in development of the profile and that this step is an opportunity for campus engagement in the process.
The Committee discussed the importance of maintaining the confidentiality of candidate information and the need to assure candidates that confidentiality will be maintained until there are finalist(s).

The Committee discussed the pros and cons of additional community and business representation on the Search Committee. The resolution provides flexibility on this point.

The Committee requested that the draft resolution be amended in the following ways:

- To include the Equity Lens and stress the importance of using the Equity Lens in the presidential search process (which has been added to Recital D);
- To provide flexibility to the Board Chair regarding the number of persons on the Search Committee (which has been amended in Section 4);
- To clarify that the Board Chair will make the appointments to the Search Committee, but that he will seek suggestions from those bodies with representation on the Search Committee (such as the Faculty Senate, AAUP, etc.) (which has been amended in Section 4);
- To clarify that the Search Committee is to be established by the Board Chair (which has been amended in Section 3); and
- To clarify that the Search Committee will be charged by the Board Chair with organizing and executing the search, but that the Search Committee will not handle “all aspects” of the search; a search firm will likely perform much of this work (clarified in Section 6).

ACTION: Chair Nickerson asked for a motion to approve the Resolution Regarding Presidential Search Process with the noted amendments, and recommend it to the full Board for adoption. Imeson made the motion. Kirkpatrick seconded. With no further discussion, a vote was taken and the resolution was approved unanimously.

Chair Nickerson adjourned the meeting at 10:40 am.