



OFFICE OF THE BOARD OF TRUSTEES

**Public Meeting Notice**

October 9, 2020

TO: Southern Oregon University Board of Trustees, Executive and Audit Committee

FROM: Sabrina Prud'homme, University Board Secretary

RE: Notice of Regular Meeting of the Executive and Audit Committee via Videoconference

The Executive and Audit Committee of the Southern Oregon University Board of Trustees will hold a regular meeting on the date and at the location set forth below.

The topics of the meeting will include an internal audit report and discussion on the committee's proposed 2021-2022 meeting schedule. The meeting will include a review of the university president's evaluation, to be held in executive session pursuant to ORS 192.660(2)(f) and (i). In a public session, the committee will discuss and take action on the president's proposed goals for 2020-2021.

The meeting will occur as follows:

Friday, October 16, 2020

9:30 a.m. to 11:30 a.m. (or until business is concluded)

Visit [governance.sou.edu](https://governance.sou.edu) for meeting materials.

To join or view the proceedings, visit <https://sou.zoom.us/j/87255643130> at the time of the meeting.

If special accommodations are required or to provide written public comment or testimony, please contact Kathy Park at (541) 552-8055 at least 72 hours in advance.

**Public Comment**

Members of the public who wish to provide public comments for the meeting are invited to submit their comments or testimony in writing. Please send written comments or testimony to the Board of Trustees email address: [trustees@sou.edu](mailto:trustees@sou.edu). Public comments also may be sent to the board via postal mail addressed to SOU Board of Trustees, 1250 Siskiyou Boulevard, Ashland, OR 97520.



**Board of Trustees  
Executive and Audit Committee Meeting  
October 16, 2020**

# Call to Order / Roll / Declaration of a Quorum



**Board of Trustees  
Executive and Audit Committee Meeting  
Friday, October 16, 2020  
9:30 a.m. – 11:30 a.m. (or until business concludes)  
Videoconference  
<https://sou.zoom.us/j/87255643130>**

**AGENDA**

Please note: times are approximate and items may be taken out of order.

- |          |  |  |
|----------|--|--|
| <b>1</b> | <b>Call to Order/Roll/Declaration of a Quorum</b>  | Chair Paul Nicholson                         |
|          | 1.1 Welcome and Opening Remarks  |  |
|          | 1.2 Roll and Declaration of a Quorum   | Sabrina Prud'homme,<br>SOU, Board Secretary  |
|          | 1.3 Agenda Review  | Chair Nicholson                              |
| <b>2</b> | <b>Public Comment</b>  |  |
| 5 min.   | <b>3 Consent Agenda</b>  |  |
|          | 3.1 June 19, 2020 Meeting Minutes  | Chair Nicholson                              |
| 10 min.  | <b>4 Reports</b>   |  |
|          | 4.1 Internal Audit Report  | Jason Catz, SOU,<br>General Counsel          |
| 5 min.   | <b>5 Action, Information and Discussion Items</b>  |  |
|          | 5.1 Proposed 2021-2022 Committee Meeting Schedule  | Chair Nicholson                              |
| 25 min . | 5.2 University President's Annual Evaluation<br>[Executive Session Pursuant to ORS 192.660(2)(f)<br>and (i)] | Chair Nicholson; Vice<br>Chair Daniel Santos |
| 25 min.  | 5.3 University President's 2020-2021 Goals (Action)  | President Linda Schott                       |
| 5 min.   | 5.4 Future Meetings  | Chair Nicholson                              |
| <b>6</b> | <b>Adjournment</b>   | Chair Nicholson                              |

# Public Comment

# Consent Agenda

**Board of Trustees  
Executive and Audit Committee Meeting  
Friday, June 19, 2020  
Videoconference**

**MINUTES**

**Call to Order/Roll/Declaration of a Quorum**

**Committee Members:**

Lyn Hennion	Present	Paul Nicholson	Present
Sheila Clough	Present	Daniel Santos	Present
Megan Davis Lightman	Present	Bill Thorndike	Present

Chair Lyn Hennion called the meeting to order at approximately 10:30 a.m. The secretary recorded the roll and a quorum was verified.

Other trustees in attendance: Shaun Franks, Deborah Rosenberg, President Linda Schott, Steve Vincent and janelle wilson.

Other attendees and Zoom webinar panelists included: Greg Perkinson, Vice President for Finance and Administration; Jason Catz, General Counsel; Dr. Neil Woolf, Vice President for Enrollment Management and Student Affairs; Dr. Susan Walsh, Provost; Jeanne Stallman, Associate Vice President for Government and Corporate Relations; Tom Battaglia, Chief Information Officer; Sabrina Prud'homme, Board Secretary; Ryan Schnobrich, Internal Auditor; and Kathy Park, Office of the Board Secretary.

**Reports**

Internal Audit Report

Ryan Schnobrich provided the Internal Audit Report. He referred trustees to the meeting materials, noting that the pandemic continues to cause considerable operational and financial disruption. His participation in a consulting capacity on the finance section of the Incident Response Team allows all the process changes to remain visible to Internal Audit. Colleague turnover, vacant positions due to hiring freezes, furloughs, and interims wearing multiple hats were some of the conditions this year and will continue into next year.

Mr. Schnobrich provided an update on work he has completed: audit reports on sustainability and Clery Act compliance including the Violence Against Women Act (VAWA) reporting requirement; the ASSOU student fee process audit; and annual assessments. He said the Oregon Equal Pay Act audit was cancelled because of the low likelihood of a risk event. Regarding consulting services, he referred to the detailed meeting materials, adding management has completed many after-action plans. He also completed internal control assessments related to surplus property, purchasing cards, and vehicle usage and provided feedback to the relevant directors. His plan to do other assessments in Business Services was derailed by the pandemic and will move to next year. He has started attending Business Services' meetings where he has gained visibility into their process changes to adapt to the new word in which we all live.

Mr. Schnobrich said he was most excited about the work done with the Gramm-Leach-Bliley Act related to cybersecurity, financial aid, and student information privacy. Regarding investigative services, he cleared out a backlog of lingering concerns and resolved some topics. As the dialogue around shared governance matures, he is encouraging incorporation of a standard of ethical conduct and related training.

Responding to Trustee Santos' inquiry regarding completion of the assessment on compliance with the cultural competency bill, Mr. Schnobrich confirmed his assessment was just the compliance piece for preparedness for the first report. Jason Catz added that the focus was on activities that indicate SOU's readiness to satisfy certain timing or other requirements as it launches its cultural competency program.

Trustee Clough noted the vacancy in the financial aid office and asked if the work on financial aid compliance was still taking place. Mr. Schnobrich confirmed that management was performing its processes but there is not an extra layer of protection. Dr. Neil Woolf added that the director and the assistant director in the financial aid office are performing the duties of the vacant compliance officer position.

Responding to Vice Chair Nicholson's inquiry, Mr. Schnobrich said his job is more difficult to do from home and there are difficulties adjusting to people's limited availability due to the furlough. He tries to stay in the loop when attending various meetings.

Responding to inquiries from Trustees Lightman and Santos, Mr. Schnobrich mentioned some of the benefits arising from the work of the Incident Response Team. He is comfortable about operations during the pandemic and believes the board should be confident that the right conversations are being held and thoughtful decision-making is happening. He has been able to address concerns through the management team and, as a result, there are no issues that need to be elevated to the board.

Mr. Schnobrich said he decided not to do a quality assurance review—an audit of internal audit by external sources—because it is not the highest and best use of financial resources at this time.

### **Action, Information and Discussion Items**

#### **Internal Audit Plan for 2020-21 (Action)**

Ryan Schnobrich provided highlights of the Internal Audit Plan for 2020-21. His work will include the ASSOU student fee process audit report and completing the remaining investigative services related to management action plans. His consulting services will include continued participation on the Finance Section of the Incident Response Team; increasing engagement with Business Services around risk assessment, risk management, and organizational transformation; facilitating process improvement regarding Irregular Employment Agreements; student information privacy compliance; and continued work on the management response and action plans related to the fiscal year 2017 Title IX audit and the fiscal year 2019 Clery Act and VAWA program assessment audit.

To generate budget savings, Mr. Schnobrich said Internal Audit is not budgeting for a student employee or a five-year quality assurance review.

Dr. Neil Woolf added that his team would welcome Mr. Schnobrich's assistance on student information privacy compliance.

Responding to Trustee Lightman's inquiry, Mr. Schnobrich said he has not sensed resistance to his work. There is an appreciation for risk and an elevated situational awareness and people want to identify the next best steps and move forward.

Vice Chair Nicholson noted the extensive work included in the plan. Mr. Schnobrich said he wanted to have a broad look at risk and is trying to make up for being an army of .8 while still being involved in what is going on. Consulting service is a way for him to be out the way but still present, available, and helpful. He said his audit plans tend to be ambitious and he appreciates management's and the board's understanding that sometimes things roll over to the next year.

Stressing that she did not intend to blame or criticize, Trustee Clough expressed her concern that, in her time on the board, each year it seems there is turnover in positions or workload which does not allow some of the audits to get completed. From a board perspective, she asked if the board is being accountable or creating vulnerability by accepting certain things are not done. She wondered if the plan was too aggressive and whether it needed to be modified to reflect the key priorities that can realistically get done or if the board should approve the plan recognizing some items will not be done. She said she would rather have Mr. Schnobrich complete the audits than have an external organization complete them. Mr. Schnobrich replied that many of his colleagues have tossed their plans out the window and created new plans that simply focused on being agile and helpful to management. He said he tried to be more specific, using an umbrella approach to risk. He repeated that there is not enough internal audit staff to go around.

Trustee Clough moved to approve the resolution recommending the Board of Trustees adopt the Internal Audit Plan for fiscal year 2020-21. Trustee Santos seconded the motion and it passed unanimously.

#### Update on Cybersecurity

Tom Battaglia provided a cybersecurity update and highlighted changes in some of the risk assessment scores. He referred trustees to the Executive Summary of SOU's response to an audit of compliance with the Gramm-Leach-Bliley Act and the risk summary report included in the meeting materials.

SOU's current storage is aging and has caused occasional disruptions to service. As a result, SOU is now migrating data to a new enterprise storage solution in the cloud.

Regarding vulnerability detection, Mr. Battaglia said SOU has acquired a full suite of vulnerability identification tools which assess internal vulnerabilities. He highlighted the mandatory cybersecurity training for employees and the positive results of recent

phishing exercises. He also discussed other topics and details involving SOU's cybersecurity.

### **Public Comment**

There was no public comment.

### **Consent Agenda**

Trustee Santos moved to approve the consent agenda, as presented. Vice Chair Nicholson seconded the motion and it passed unanimously.

### **Action, Information and Discussion Items (Continued)**

#### Governance Work Group Update

Vice Chair Nicholson said the work group continues to work on issues such as engagement of retired trustees and planning the retreat.

#### Future Meetings

Chair Hennion said the committee's next meeting would be on October 16.

### **Adjournment**

Chair Hennion adjourned the meeting at 11:42 a.m.

# Internal Audit Report

# **Proposed 2021-2022 Committee Meeting Schedule**

**SOU Board of Trustees**  
**Board and Committee Meeting Schedule**  
**Academic Years (AY) 2020-21 and 2021-22**

MEETING	Academic and Student Affairs	Finance and Administration	Executive and Audit	Board of Trustees
DAY	Third Thursdays	Third Thursdays	Third Fridays	Third Fridays
FREQUENCY	Four Times Per Year (and as needed for curriculum approvals)	Six Times Per Year	Five Times Per Year	Five Times Per Year
TIME	12:00-3:30 p.m.	4:00-6:00 p.m.	9:30-11:30 a.m.	12:00-5:00 p.m.
	January 21, 2021	January 21, 2021	January 22, 2021	January 22, 2021
		March 18, 2021		
	April 15, 2021	April 15, 2021	April 16, 2021	April 16, 2021
		May 20, 2021* 2:30-4:00 p.m.		May 20, 2021* 4:30-6:00 p.m.
	June 17, 2021**	June 17, 2021**	June 18, 2021**	June 18, 2021**
			September 1, 2021*	Retreat September 16-17, 2021
	October 21, 2021	October 21, 2021	October 22, 2021	October 22, 2021
	January 20, 2022	January 20, 2022	January 21, 2022	January 21, 2022
		March 17, 2022 (Budget focus)		
	April 21, 2022	April 21, 2022	April 22, 2022	April 22, 2022
		May 19, 2022 (Budget focus)		
	June 16, 2022	June 16, 2022	June 17, 2022	June 17, 2022
				Retreat September 15-16, 2022
	October 20, 2022	October 20, 2022	October 21, 2022	October 21, 2022

\*Note the special date/time

\*\* Meeting is after commencement

# University President's Annual Evaluation

[Executive Session Pursuant to ORS 192.660(2)(f) and (i)]

# University President's 2020-2021 Goals (Action)

## **GOALS 2020-2021**

President Linda Schott  
Southern Oregon University

Goal One: To work collaboratively with the campus leadership team, faculty, staff, Board, HECC and state leaders to ensure the financial viability of the university.

Goal Two: To help make SOU a more diverse, equitable, inclusive community by advancing Strategic Direction IV and supporting the work of the Equity, Diversity and Inclusion team.

Goal Three: To improve the scope and effectiveness of our shared campus governance by implementing a Staff Assembly, updating the University bylaws and providing clear, effective communication.

Goal Four: To lead SOU with intelligence, compassion, transparency, and good humor, and to advocate tirelessly for the institution and its role in this region.

# Future Meetings

# Adjournment