

**Board of Trustees  
Executive and Audit Committee Meeting**

**Friday, April 16, 2021**

**MINUTES**

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

Committee Members:

Paul Nicholson	Present	Jonathon Bullock	Present
Sheila Clough	Present	Daniel Santos	Present
Lyn Hennion	Present	Megan Davis Lightman	Present

Chair Paul Nicholson called the meeting to order at 9:30 a.m. The secretary recorded the roll and a quorum was verified.

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

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; Janet Fratella, Vice President for University Advancement; Sabrina Prud'homme, Board Secretary; Steve Larwick, Director of Business Services; Alana Lardizabal, Director of Human Resources; Michael McKelvey, Director of Development; Christina Sanz, Southern Oregon University Foundation; and Pamela Tomac, Office of the Board Secretary.

**Public Comment**

No public comments were received.

**Consent Agenda**

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

**Internal Audit Report**

Mr. Catz informed the committee that there have been no new ethics hotline complaints. He also has drafted the customary email for President Schott to approve and send out, reminding the campus that even in a virtual environment, the resources for reporting concerns are still available.

Mr. Catz continues talks with his Technical and Regional University colleagues about sharing an outside auditing firm. The request for bids will be written in such a way that while it goes out for a competitive bid, other Oregon Public Universities (OPU) will be allowed to join at a later date if they desire. The goal is to solicit bids based on hourly rates that would make it accessible to others and hopefully improve the rates over time as scale increases.

Trustee Clough said going out for bid allows SOU to find affordable ways to provide the service and there is no cost for doing so. Vice Chair Santos agreed and added that the bid

process will help SOU gather information; review the credibility and reputations of the bidders; and perform cost and services analyses versus having an internal auditor.

Following much discussion on the topic, Chair Nicholson asked if anyone was against this RFP path. There being no opposition, Chair Nicholson said Mr. Catz should continue.

### **Governance Work Group Update and Recommendation (Action)**

Vice Chair Santos thanked Trustees Lightman and Bullock for their insights into this process and thanked Board Chair Nicholson for inserting his viewpoints, as well as Secretary Prud'homme for her assistance. Vice Chair Santos informed the committee that the work group's recommendation is to keep governance within the current Executive and Audit Committee's (EAC) structure and to not establish a separate governance committee. The group would continue working on the issues and invite rotating guests, as appropriate to participate with the group. The work group would report its progress to the committee and the board, as appropriate. The group further recommends a pilot year to accomplish this work, with a final report to EAC and BOT in June of 2022 including recommendation on whether to create a standalone governance committee.

Trustee Clough supported the work group's recommendation, and had a bias believing SOU should have had a governance committee. This recommendation gets the benefit of what a committee would do, will focus of best practices, and lends itself to an existing structure, in essence, gaining the best of both worlds.

Trustee Hennion moved to approve the Governance Work Group as presented. Vice Chair Santos seconded the motion and it passed unanimously.

### **Presidential Search Matters**

#### Board Statement on Executive Searches, Appointments and Management (Action)

Chair Nicholson said that on April 8, President Schott announced her intent to retire. The board is happy for the president and her family; however, this also means the board and the university must gear up for a robust presidential search to find the president's successor.

Mr Catz said that for the 2016 search, the board previously followed a policy that transferred from the Oregon University System. For today's consideration, that policy is being converted to a board statement and a few amendments are being proposed. In addition, there are a few areas requiring input and close consideration by the committee, shown in red in the meeting materials. Following the committee's discussion and any further amendments, the committee will make a recommendation to the board on the Board Statement on Executive Searches, Appointments and Management. He said a few changes have been made that are mostly language adjustments, and a few updates that correspond to how we went through the search last time making the document more transparent.

Chair Nicholson believes that section 2.1.5 describing a role for the EAC to interview the candidates, inserting an additional layer that may not be necessary. Vice Chair Santos agreed this layer will prolong the search process and the work of the search committee and the board would be each provide layers of review. Trustee Hennion agreed, expressed concerns of timing and expense, and believed there is overlap with the search committee, EAC, and the board.

Trustee Bullock countered that he believes this layer will ensure the board has another opportunity to sort out concerns that might arise, and with what transpired recently in Corvallis, this would allow additional vetting. Trustee Bullock would like to make absolutely certain that the board does not get too worried about timing and economics, but instead, should focus on selecting the right candidate. He later said that a small group may be able to dive into some areas and apply some pressure to see where a person's strengths and weaknesses lie.

Responding to Trustee Hennion's comments regarding and open search, Ms. Prud'homme said when the candidates are set to arrive on campus, the process would be publicized and open. In 2016, only after the final candidates were invited to campus did their identities become public information.

Responding to Chair Nicholson, President Schott said that she could not clearly remember exactly how many interviews she attended since once she came to the campus visit there were so many people to meet. She believes that having the EAC interview with an extra layer of deep scrutiny, which a smaller group could more easily perform, might ensure that something problematic in a candidate's past would not be missed.

Trustee Clough said a smaller panel could have the time and purpose of being able to vet more fully than a full board complement, and she believes that the extra layer does add value and purpose to the process. Vice Chair Santos added that the board wants to avoid recent OSU, PSU, and Linfield issues, and an additional layer of interviews with purpose can help.

Trustee Hennion thought it was extremely important to hold social events with each candidate; for example, there was dinner in the museum which presented an opportunity to relax and get to know the proposed candidates better as people, not just in a formal interview. Trustee Lightman agreed.

President Schott said something that occurs to her about this process is that it is so important for candidates to have things kept as quiet as possible. President Schott assumes the search firm will do vigorous vetting. Should something surface, the EAC could have a heart-to-heart discussion and allow candidates to address it, and it perhaps is easier in a small group.

Trustee Lightman views the EAC meetings as a time for trustees on EAC gather evidence of the candidate's strengths and weaknesses. There may be too much to uncover with one committee, so the EAC could be the heavy hand asking the hardest questions.

Mr. Catz expressed his thoughts on section 2.1.3(c), that by adding this language, the Board Chair is afforded the ability to consult other university employees as needed. Dr. Susan Walsh said it was helpful to be involved in the president search interview process in the past. Mr. Catz agreed that this function is intended within this process.

Trustees agreed to keep the word "will" in section 2.1.5, and to change the word "serve" to "support" in section 2.1.3 (c).

There being no further changes, Trustee Clough moved that the committee recommend the Board Statement to the full board, as amended. Trustee Lightman seconded the motion and it passed unanimously.

## **Discussion on Presidential Search Guidelines**

Chair Nicholson revisited the 2016 presidential search guidelines used to guide the activities and membership of the search committee as the board prepares to identify a committee and define its work. He said the key point to this process is to gain a university president who understands the role of a regional university. He raised the composition of the search committee as an important topic.

President Schott thought a Southern Oregon Higher Education Consortium (SOHEC) president would serve the search well, as those presidents understand SOU and would take steps towards better collaboration, engagement, and advancement. Mr. Catz said the statutes that govern the creation of the board require that the president of an Oregon public university be on the search committee and there is no preclusion from having a community college president on the committee.

Trustee Hennion pointed out that in 2016, SOU had Chris Maples [from OIT] on the committee; he left OIT and consequently, was not part of decisions that were made by the committee. President Schott said she did not feel President Maples' absence affected her understanding of the role.

To promote equity within the committee composition, Trustee Wilson suggested the board make faculty, staff, and students equal, at three members each. President Schott noted the importance of having a member from Josephine County/Grants Pass. Chair Nicholson and others agreed, noting that all four constituent groups should have three instead of two of each. Trustees also agreed that language regarding "serve" or "support" of cabinet members should be "support," which is consistent with the board statement.

Board Chair Nicholson raised the concept of anticipating an open search, as outlined in the guidelines from 2016. Noting key pros and cons, Ms. Prud'homme mentioned that having an open search instead of a more confidential search might limit the candidate pool but an open search is in keeping with the expectations and culture of the campus. Discussion ensued on the topic of an open versus a closed search. It was clarified that even in an open search, the process remains confidential until the final candidates are invited to campus.

## **General Timeline**

The committee reviewed a sample timeline for the presidential search to illustrate the possibilities for key milestones in the search and when each of those items might take place. Chair Nicholson noted that a search firm will help determine an actual timeline but that this early glimpse is in keeping with President Schott's desired departure date at the end of 2021.

## **Future Meetings**

The next meeting will be on Friday, June 18, 2021.

## **Adjournment**

The meeting adjourned at 11:37 a.m.

Date: June 18, 2021

Respectfully submitted by,

Sabrina Prud'homme  
\_\_\_\_\_  
Sabrina Prud'homme  
University Board Secretary