Southern OREGON UNIVERSITY

OFFICE OF THE BOARD OF TRUSTEES

Public Meeting Notice

October 9, 2026

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

FROM: Sabrina Prud'homme, University Board Secretary

RE: Notice of Regular Meeting of the Executive, Audit, and Governance Committee

The Executive, Audit, and Governance 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 committee will act on the proposed 2027-2028 committee meeting schedule and the university president's proposed goals for the 2026-2027 academic year.

There will also be an executive session Executive Session Pursuant to ORS 192.660(2)(f)(i). No final decisions will be made in any executive session.

Agenda items include an internal audit report and an update on the FY 2026 external audit. The committee will discuss the board governance workstream for the 2026-27 academic year including a summary of the board's recent retreat and a workplan with timeline.

The meeting will occur as follows:

Friday, October 16, 2026
9:30 a.m. to 11:30 a.m. (or until business concludes)
Visit governance.sou.edu for the meeting materials.
SOU Campus, Hannon Library, DeBoer Room
1290 Ashland Street, Ashland, OR, 97520

To view the proceedings remotely, visit https://sou.zoom.us/j/89010444615 at the time of the meeting.

If accommodations for persons with disabilities are required, please contact Holly Frazier at (541) 552-8055 or email trustees@sou.edu. Accommodation requests should be made at least 48 hours in advance.

Public Comment

Members of the public who wish to provide live public comments in person or remotely during the meeting are invited to sign up to speak, or to submit their comments in writing at least 24 hours in advance of the meeting to the Board of Trustees' email address: trustees@sou.edu. Public comments also may be delivered by hand or mailed to SOU Board of Trustees, 1250 Siskiyou Boulevard, Churchill Hall, Room 107, Ashland, OR 97520.

Board of Trustees
Executive, Audit, and Governance Committee Meeting

October 16, 2026

Call to Order / Roll / Declaration of a Quorum

Board of Trustees
Executive, Audit, and Governance Committee Meeting

Friday, October 16, 2026
9:30 a.m. – 11:30 a.m. (or until business concludes)
DeBoer Room, Hannon Library, SOU Campus
Zoom: https://sou.zoom.us/j/89010444615

AGENDA

Persons wishing to provide live public comments in the meeting or in writing may sign up in advance at trustees@sou.edu.
Please note: times are approximate and items may be taken out of order.

9:30 a.m.	**1**	**Call to Order/Roll/Declaration of a Quorum**	Chair Sheila Clough
	1.1	Welcome and Opening Remarks	
	1.2	Roll and Declaration of a Quorum	Sabrina Prud'homme, SOU, Board Secretary
	1.3	Agenda Review	Chair Sheila Clough
9:35	**2**	**Public Comment**	
	3	**Reports**	
9:50	3.1	Internal Audit Report	Ryan Schnobrich, Portland State University, Internal Audit Contractor
	4	**Action, Information, and Discussion Items**	
10:10	4.1	Fiscal Year 2026 External Audit Update	Dr. Carson Howell, SOU, Vice President for Finance and Administration
10:20	4.2	Academic Year 2026-27 Board Governance Workstream	Chair Sheila Clough
		4.2.1 Summary of Retreat	Vice Chair Liz Shelby
		4.2.2 Workplan and Timeline	Vice Chair Liz Shelby and Chair Sheila Clough
		4.2.3 2027-2028 Committee Schedule and Future Meetings (Action)	Chair Sheila Clough
10:40	4.3	University President's Academic Year 2025-26 Evaluation [Executive Session Pursuant to ORS 192.660(2)(f)]	Chair Sheila Clough

Southern Oregon University
Board of Trustees
Executive, Audit, and Governance Committee Meeting
Friday, October 16, 2026

AGENDA (Continued)

11:10	4.4	University President's Academic Year 2026-27 Goals (Action)	President Rick Bailey
11:30 a.m.	**5**	**Adjournment**	Chair Sheila Clough

Public Comment

Internal Audit Services Update

Presented by
Carson Howell, Chief Audit Executive
&
Ryan Schnobrich, CPA, CIA, CFE
Center for Internal Audit at Portland State University

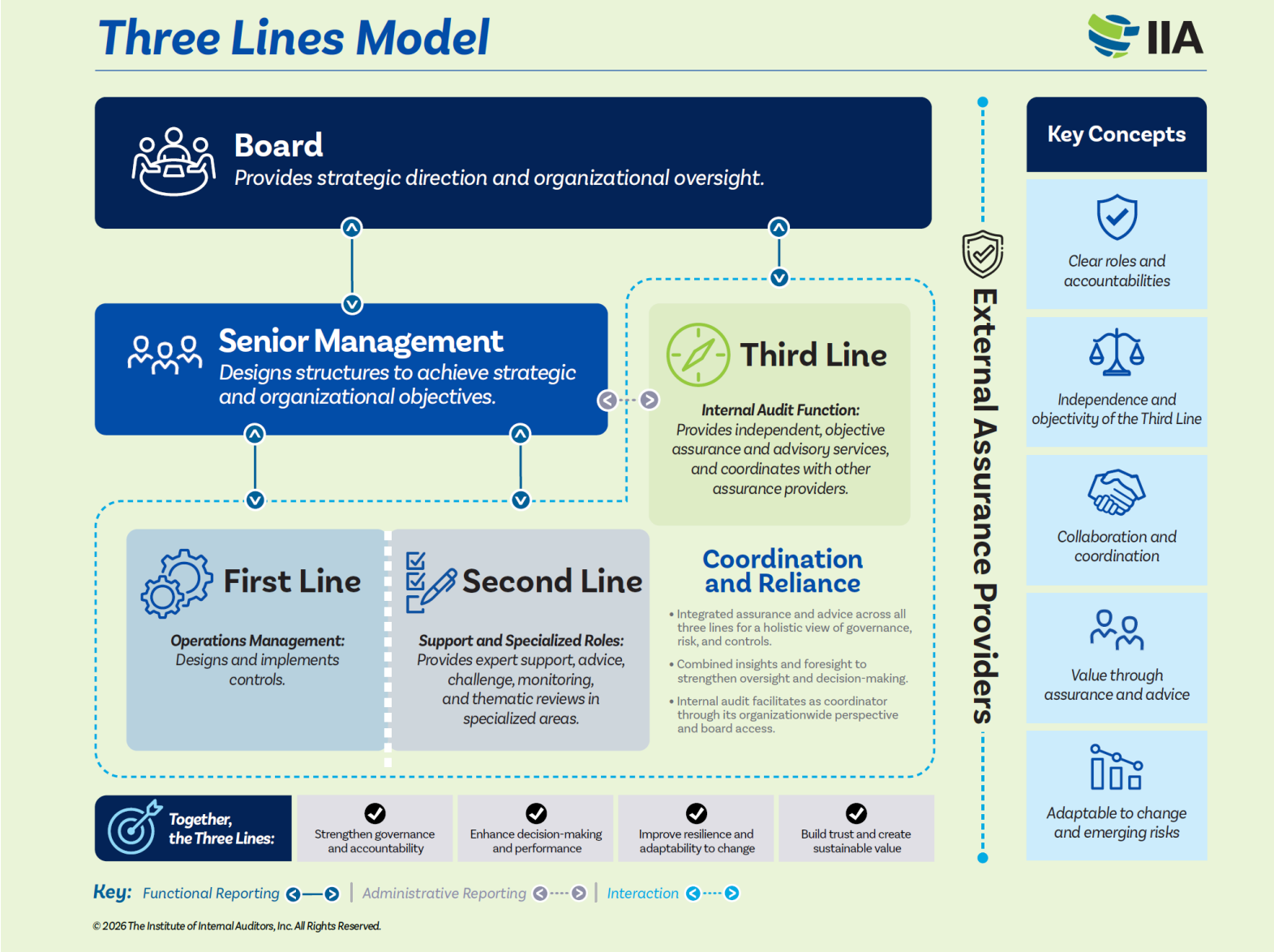
October 16, 2026

Internal Audit Services Update

Objectives of Update

1. The Chief Audit Executive Role
2. Internal Audit Services Update
3. EthicsPoint Hotline Update
4. Board Requests and Questions
5. Fiscal Year 2027 Internal Audit Plan
6. Questions and Open Discussion

The Chief Audit Executive Role



The Chief Audit Executive Role

Standard 6.3 – The CAE must coordinate the internal audit function's board communications with senior management to support the board's ability to fulfill its requirements.

Standard 7.1 – The CAE must confirm to the board the organizational independence of the internal audit function at least annually.

- Establish a direct reporting relationship with the CAE and the internal audit function to enable the internal audit function to fulfill its mandate.
- Provide the CAE with opportunities to discuss significant and sensitive matters with the board, including meetings without senior management present.

The Chief Audit Executive Role

Standard 8.1 –

- Communicate the board's perspective on the organization's strategies, objectives, and risks to assist the CAE with determining internal audit priorities.
- Set expectations with the CAE for:
  - The frequency with which the board wants to receive communications from the CAE.
  - The criteria for determining which issues should be escalated to the board, such as significant risks that exceed the board's risk tolerance.
  - The process for escalating matters of importance to the board.

The Chief Audit Executive Role

Standard 7.2 –

- The board must review the requirements necessary for the CAE to manage the internal audit function, as described in Domain IV: Managing the Internal Audit Function (Standards 9.1 – 12.3).

The Chief Audit Executive Role

Standard 9.1 – To understand governance processes, the CAE must consider how the organization:

- Establishes strategic objectives and makes strategic and operational decisions.
- Oversees risk management and control.
- Promotes an ethical culture.
- Delivers effective performance management and accountability.
- Structures its management and operating functions.
- Communicates risk and control information throughout the organization.
- Coordinates activities and communications among the board, internal and external providers of assurance services, and management.

The Chief Audit Executive Role

Standard 9.1 – To understand risk management and control processes, the CAE must consider how the organization identifies and assesses significant risks and selects appropriate control processes. This includes understanding how the organization identifies and manages the following key risk areas:

- Reliability and integrity of financial and operational information.
- Effectiveness and efficiency of operations and programs.
- Safeguarding of assets.
- Compliance with laws and/or regulations.

The Chief Audit Executive Role

Standard 9.2 – The CAE must develop and implement a strategy for the internal audit function that supports the strategic objectives and success of the organization and aligns with the expectations of the board, senior management, and other key stakeholders.

An internal audit strategy is a plan of action designed to achieve a long-term or overall objective. The internal audit strategy must include a vision, strategic objectives, and supporting initiatives for the internal audit function.

An internal audit strategy helps guide the internal audit function toward the fulfillment of the internal audit mandate.

The CAE must review the internal audit strategy with the board and senior management periodically.

The Chief Audit Executive Role

Standard 9.2 –The Internal Audit Strategy

Vision: To serve as a trusted advisor and independent partner to Southern Oregon University leadership and the Board of Trustees by evaluating risk and providing objective assurance and advisory services that strengthen governance and support the mission and vision of the university.

The Chief Audit Executive Role

Southern OREGON UNIVERSITY

Strategic Objectives:

- (Standard 12.2 The CAE must develop objectives to evaluate the internal audit function's performance. The CAE must consider the input and expectations of the board and senior management when developing the performance objectives.)

Supporting Initiatives:

- Contract with Center for Internal Audit at PSU (Domain V: Performing Internal Audit Services)

The Chief Audit Executive Role

Standard 9.5 – The CAE must coordinate with internal and external providers of assurance services and consider relying upon their work. Coordination of services minimizes duplication of efforts, highlights gaps in coverage of key risks, and enhances the overall value added by providers.

If unable to achieve an appropriate level of coordination, the chief audit executive must raise any concerns with senior management and, if necessary, the board.

When the internal audit function relies on the work of other assurance service providers, the CAE must document the basis for that reliance and is still responsible for the conclusions reached by the internal audit function.

The Chief Audit Executive Role

Standard 11.1 The CAE must develop an approach for the internal audit function to build relationships and trust with key stakeholders, including the board, senior management, operational management, regulators, and internal and external assurance providers and other consultants.

The Chief Audit Executive Role

Standard 11.1 The CAE must promote formal and informal communication between the internal audit function and stakeholders, contributing to the mutual understanding of:

- Organizational interests and concerns.
- Approaches for identifying and managing risks and providing assurance.
- Roles and responsibilities of relevant parties and opportunities for collaboration.
- Relevant regulatory requirements.
- Significant organizational processes, including financial reporting.

The Chief Audit Executive Role

Standard 11.2 The CAE must establish and implement methodologies to promote accurate, objective, clear, concise, constructive, complete, and timely internal audit communications.

The Chief Audit Executive Role

Standard 11.3 The CAE must communicate the results of internal audit services to the board and senior management periodically and for each engagement as appropriate. The CAE must understand the expectations of the board and senior management regarding the nature and timing of communications.

The results of internal audit services can include:

- Engagement conclusions.
- Themes such as effective practices or root causes.
- Conclusions at the level of the business unit or organization.

Objective 1 – Internal Audit Services Update

- **Meetings with Management –**
  Periodic discussions with the Chief Audit Executive, General Counsel, and Board Secretary.

- **Periodic Update Meetings with Chair Clough –**
  Periodic discussions with the Chair helps to support internal audit *Standards* of independence and the dual reporting structure of internal audit to the Board of Trustees and the President.

Objective 2 – EthicsPoint Hotline Update

- 2 hotline reports received since the last committee meeting.
- Internal Audit continues to work closely with the President, General Counsel, Director of Human Resources, and Provost on previously reported concerns.

Objective 3 – Board Requests & Questions

- Auditable units updated with no change to recommended internal audit plan:

	Range is 10-30 (Likelihood)	Range is 10- (Impact)	H/M/L	Yes/No/No^
Auditable Unit	**Risk Assessment Survey Score**	**FY27 Risk Score**	**Risk Category**	**FY27 C4IA Plan**
Office of Information Technology (IT)	30	162	H	Yes^
Enrollment Management and Student Affairs	30	134	H	No^
Finance and Administration	30	132	H	Yes^
Office of Business Intelligence	26	109	H	Yes^
University Advancement and Grants	25	106	H	No^
Provost Office and Bridge Program	24	104	H	No
Financial Aid Office (FAO)	30	97	M	No^
Payroll and Human Resources	22	95	M	No^
Belonging and Engagement	30	95	M	No
President's Office	26	93	M	No
Athletics	28	92	M	No
Registrar's Office and Admissions	28	89	M	No
Oregon Center for the Arts	24	75	M	No
Dean of Students	20	66	M	No
Title IX	16	57	M	No
Jefferson Public Radio (JPR)	12	51	M	No
Student Health and Wellness Center	20	50	M	No
Hannon Library	12	49	L	No
Student Activities and Clubs	20	48	L	No
Parking Services	22	48	L	No
Housing, Family Housing, and Food	18	46	L	No
Schneider Museum of Art	18	43	L	No
Environmental Health and Safety	15	41	L	No
Dean of Faculty	10	36	L	No
Bookstore (Barnes and Noble	10	35	L	No
Campus Public Safety Office (CPSO)	20	28	L	No
Facilities, Maintenance, and Plant (FMP)	15	24	L	No

Objective 3 – Board Requests & Questions

- Resource constraints, either through SOU contract capacity or C4IA staffing are considered in the internal audit plan.
- Business Intelligence and Data Governance – Changes are happening so advisory services could be considered, and an audit will be considered in the future.

Objective 4 – FY 2027 Internal Audit Plan

1) Human Resources - Fair Credit Reporting Act Audit
2) Business Services - Purchase Card Audit
3) Enrollment Services - Fraud Risk Management Audit
4) General Counsel – EthicsPoint Hotline
5) Advisory Services:
   - Service Center - Purchasing/Contract Services
   - VPF&A - Enterprise Risk Management & Policy Review
   - Information Technology/CISA – PCI Compliance & Sensitive Data
6) FY 2028 Risk Assessment and Internal Audit Plan

Internal Audit Services Update

Southern OREGON UNIVERSITY

Questions and Other Discussion?

Fiscal Year 2026 External Audit Update

External Audit Services Update

Audit Status by Unit

Audit Unit	Preliminary Fieldwork	Final Fieldwork	Issuance
CHF-Ashland, LLC (Housing)	n/a	Complete - In QC Review	Early to mid-October
Single Audit	Completed	Nearly complete	Issued jointly with financial statements
IT Review	Completed	Completed	Recommendations Issued
Financial Audit	Completed	Target start date is November 23 (Some basic items started.)	January-March

AY 2026-27 Board Governance Overview

AY 2026-27 Governance Workplan

- Retreat: Board Culture (September)
- Board Meeting Schedule (October)
- Board Gap Assessment (November – December)
- Recruitment of Trustees (January – June)
- 2027 Board Evaluation (January or April – September)
- Scheduled Review of Board Statements/Policies (January – October)
- Trainings and Refreshers: TBA 2026 – 2027

Board Retreat Review on Governance

1. Open feedback loops
   - Questions / Fast Feedback on front and back end of meetings
   - Asking questions productively
   - Board evaluation
2. Meet more frequently
3. Trainings (i.e., Budget 101)
4. More tours
5. More “Mission Moments” and remembering our “why”

2027 Board Evaluation

Requirements:

- (a) Regularly conduct a self-evaluation; and (b) At each self-evaluation, provide an opportunity for the university community to provide written input or public testimony evaluating the work of the board. [ORS 352.091 (12)(b)]

- . . . each Trustee will participate in regular self-evaluations and evaluations of Board performance, which should be conducted in odd-numbered years. At each regular self-evaluation, an opportunity will be provided for the university community to provide written input or public testimony evaluating the work of the board. (Board Statement on the Individual Responsibilities of Trustees)

2027 Board Evaluation - Cont'd

Self-Evaluation

This fall, a survey will be distributed to the board asking about the board's own opinions on fulfilling its responsibilities and fiduciary duties, as well as other information previously approved by the committee and the board to be of importance.

Education

- **The board's website** was updated to describe the board's responsibilities and educate the campus community on these responsibilities as well as board meetings and trustee engagement.

2027 Board Evaluation Timeline*

Administer: (January or April 2027)

Analyze: Spring 2027

Share: June 2027

Workplan: September 2027 retreat

*Some steps may be accomplished earlier

2027 Board Evaluation – Cont'd

Written Input and Public Testimony

- "Public Testimony: Evaluation of the Board's Work" will be notated on the **January/April agenda** and the public comment period may be extended to accommodate members of the university community who wish to provide public testimony.

- "Public Testimony: Evaluation of the Board's Work" will be included on the Board of Trustees' **public meeting notice for the January / April** meeting. Notice was distributed to all of campus, the HECC, media, and others who have requested receipt.

- **An email from the board chair to all students and employees** may be distributed to campus inviting written input at trustees@sou.edu and public testimony at the January/April meeting.

- It is recommended that the board chair and vice chair plan to seek feedback through shared governance and other leaders during their **end--of-year campus consultations.**

Board of Trustees
Bylaws and Policy Review Process

A small working group will be formed for the purpose of gathering information for review and possible amendments to the board's policies and governing documents.

The Executive, Audit, and Governance Committee will review the information and recommend policies and any amendments to the Board of Trustees for adoption. The Board of Trustees will review and if determined necessary, provide additional amendments and approve final versions of the final documents for adoption.

The schedule may be adjusted as the needed.

Proposed Schedule

BOARD MEETING	REVIEWER	POLICY
January 2027	Work Group, EAC	• Bylaws • Board Statement on Delegation of Authority • Board Statement on Board Committees • Board Statement on the Conduct of Public Meetings • Board Statement on the Performance of Official Business
April 2027	Work Group, EAC	• Board Statement on Policies • Board Statement on Ethics and Conflict of Interest • Board Statement on the Responsibilities of Individual Trustees • Board Statement on Presidential Searches and Appointments • Board Statement on Evaluation of the University President
	Work Group, FAC, EAC	• Investment Policy, SOU Endowment Fund
June 2027	Work Group, EAC	• Board Statement on Recommending Candidates for At-Large Board Positions • Board Statement on the Process for Officer Elections • Board Statement on Honorary Degrees • Board Statement on Emeritus President Status
October 2027	Work Group, EAC	• Board Statement on Social Justice, Anti-Racism, and Non-Discrimination • Board Statement on Black Lives Matter • Possible new item: Board Statement on Institutional Neutrality • Possible new item: Board Statement on Records Retention • Possible new item: Board Statement on the Engagement of Retired Trustees

2027-2028 Committee Schedule and Future Meetings (Action)

SOU Board of Trustees 2027-2028 Board and Committee Meeting Schedule				
MEETING	**Academic and Student Affairs**	**Finance and Administration**	**Executive, Audit, and Governance**	**Board of Trustees**
DAY	Third Thursdays (Unless Otherwise Indicated)	Third Thursdays (Unless Otherwise Indicated)	Third Fridays	Third Fridays
FREQUENCY	Four Times Per Year	Six Times Per Year	Four Times Per Year	Five Times Per Year
TIME	1:00- 4:00 p.m.	5:00-7:00 p.m.	9:30-11:30 a.m.	12:00-5:00 p.m.
	January 21, 2027	January 21, 2027	January 22, 2027	January 22, 2027
		March 18, 2027		March 18, 2027 3:00-4:30 p.m.
	April 15, 2027	April 15, 2027	April 16, 2027	April 16, 2027
		May 20, 2027		
	June 16, 2027±	June 16, 2027±	June 17, 2027±	June 17, 2027±
				Retreat September 16-17, 2027 All Day / Time TBD
	October 21, 2027	October 21, 2027	October 22, 2027	October 22, 2027
	January 20, 2028	January 20, 2028	January 21, 2028	January 21, 2028
		March 16, 2028		
	April 20, 2028	April 20, 2028	April 21, 2028	April 21, 2028
		May 18, 2026		
	June 15, 2028	June 15, 2028	June 16, 2028	June 16, 2028
				Retreat September 21-22, 2028 All Day / Time TBD
	October 19, 2028	October 19, 2028	October 20, 2028	October 20, 2028

DRAFT

* Occurs during the week following Commencement
± In observance of the Juneteenth holiday, June 2027 meetings of the board will occur on Wednesday and Thursday instead of Thursday and Friday

Executive Session Pursuant to ORS 192.660(2)(f)(i)

University President's Academic Year 2026-27 Goals (Action)

President's Draft Goals 2026-2027

Goal #1: Implementation of the Vitality Plan

Process Targets:

- Provide Dashboard Transparency and Stakeholder Accountability, so that we Track Workstreams in Real Time to Completion
- Update Mission/Vision/Values to Strategic Plan (and add Behaviors)
- Develop Initial Structure for Community Engagement for Experiential Learning (aligned to Vitality Plan target)
- Develop plan and process to achieve Reserve Target and R>C Ratio by the end of FY 2027-28

Outcome Metrics

- $20M in Cost Savings
- Positive Cash Flow Projections through June 2029

Goal #2: Student Enrollment

Process Targets:

- Pursue Innovative Enrollment Strategies
  - Increase ReUp engagement rates
  - Launch Enroll360
  - Launch New Website by June 30, 2027
  - Increase the distribution and success of Raider Influencer Cards
  - Pursue additional Marketing Initiatives
- Refine Enrollment Data Sharing

Outcome Metrics

- Fall 2027 Student FTE flat / at Fall 2026 levels or better (disrupt model's -3.4% prediction with correlating budget assumption)
- Fall 2027 Student Credit Hours (SCH) flat / at Fall 2026 levels or better

Goal #3: Student Retention and Success

Process Targets:

- Continue Strategies in Future Ready Enrollment Plan and Vitality Plan
- Streamline Pathways
  - Evaluate new Student Advising Model (centralized Student Success Coordinators)
  - Streamline Onboarding of New and Transfer Students
- Early detection of students with financial or academic risk

Outcome Metrics

- Fall 2027 First-Year Full-Time Retention Rate 70%
- Overall UG retention rate 80%
- Reduce DWFI rates overall, and in Gateway Courses by 5%?

Goal #4: Fiscal Management

Southern OREGON UNIVERSITY

Process Targets:

- Development of new Accountability and Monitoring Processes
  - ➢ Produce and distribute timely Monthly Financial Reports to the Board of Trustees and the HECC
  - ➢ Provide Access to All Campus Stakeholders;
- Sunset Banner
- Establishment of Budget Tripwires and Budget Officer Awareness

Outcome Metrics

- Deliver Monthly Financial Reports by 25th day of each month
- 95% of departments on or under budget

Draft Goals 2026-2027

Plus…

Campus Culture

Joy, Cohesion, Celebration and Family

Adjournment