



OFFICE OF THE BOARD OF TRUSTEES

## Public Meeting Notice

January 13, 2017

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

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 meeting will include discussion and actions on the following topics: a proposed presidential evaluation policy; establishment of goals for the SOU president; 2016 audited financial statements; proposed revisions to the committee's meeting schedule; and a proposed amendment to the "Board Statement on Board Committees" to add board governance, expressly, as a responsibility of this committee. The committee also will receive updates from the board's internal governance work group and internal audit.

The meeting will occur as follows:

Friday, January 20, 2017

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

Hannon Library, DeBoer Room, 3<sup>rd</sup> Floor, Room #303

The Hannon Library is located at 1290 Ashland Street, on the Ashland campus of Southern Oregon University. **If special accommodations are required or to sign-up in advance for public comment, please contact Kathy Park at (541) 552-8055 at least 72 hours in advance.**



**Board of Trustees  
Executive and Audit Committee Meeting  
January 20, 2017**

# Call to Order and Preliminary Business



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

**Friday, January 20, 2017  
9:30 – 11:30 a.m. (or until business concludes)  
DeBoer Room, Hannon Library**

**AGENDA**

Persons wishing to participate during the public comment period shall sign up at the meeting. Please note: times are approximate and items may be taken out of order.

- |           |          |   |   |
|-----------|----------|---|---|
|           | <b>1</b> | <b>Call to Order and Preliminary Business</b>                         | Chair Thorndike   |
|           | 1.1      | Welcome and Opening Remarks   |   |
|           | 1.2      | Roll Call   | Sabrina Prud'homme,<br>SOU, Board Secretary   |
|           | 1.3      | Agenda Review   | Chair Thorndike   |
|           | 1.4      | Consent Agenda: Approval of October 20, 2016 Meeting Minutes (Action) | Chair Thorndike   |
|           | <b>2</b> | <b>Public Comment</b>   |   |
| ~ 25 min. | <b>3</b> | <b>Presidential Evaluation Policy (Action)</b>                        | Chair Thorndike;<br>President Linda Schott  |
|           | 3.1      | President's Goals (Action)  |   |
| ~ 40 min. | <b>4</b> | <b>2016 Audited Financial Statements (Action)</b>                     | Craig Morris, SOU,<br>Vice President for<br>Finance and<br>Administration; Jean<br>Bushong, Clifton-<br>LarsonAllen, Principal,<br>Assurance Services |
| ~ 5 min.  | <b>5</b> | <b>Proposed Revisions to Committee Meeting Schedule (Action)</b>      | Chair Thorndike   |

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

**Friday, January 20, 2017  
9:30 – 11:30 a.m. (or until business concludes)  
DeBoer Room, Hannon Library**

**AGENDA (Continued)**

- |           |           |  |   |
|-----------|-----------|--|---|
| ~ 10 min. | <b>6</b>  | <b>Proposed Amendment to “Board Statement on Board Committees” to Add Board Governance to the Express Responsibilities of the Executive and Audit Committee (Action)</b> | Chair Thorndike                           |
| ~ 25 min. | <b>7</b>  | <b>Internal Governance Work Group Update</b>   | Trustee Shih                              |
|           | 7.1       | Board Self-evaluation Summary Report   |   |
|           | 7.2       | Board Self-evaluation Survey Amendments  |   |
|           | 7.3       | Board of Trustees Handbook – Review of Table of Contents   |   |
|           | 7.4       | Board Composition Matrix   |   |
| ~ 10 min. | <b>8</b>  | <b>Internal Audit Update</b>   | Ryan Schnobrich,<br>SOU, Internal Auditor |
| ~ 5 min.  | <b>9</b>  | <b>Future Meetings</b>   | Chair Thorndike                           |
|           | <b>10</b> | <b>Adjourn</b>   | Chair Thorndike                           |



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

**Thursday, October 20, 2016  
10:30 a.m. – 12:00 p.m. (or until business concludes)  
DeBoer Room, Hannon Library**

**MINUTES**

**Call to Order and Preliminary Business**

Chair Thorndike called the meeting to order at 10:31 a.m. He welcomed Trustee Daniel Santos, the board's newest trustee, and Joe Mosely, SOU's Director of Community and Media Relations.

The following committee members were present: Bill Thorndike, Lyn Hennion, Paul Nicholson, April Sevcik and Judy Shih. The following member was absent: Teresa Sayre. Trustees Linda Schott (ex officio), Daniel Santos and Joanna Steinman also attended.

Others attendees included: Dr. Susan Walsh, Provost and Vice President for Academic and Student Affairs; Craig Morris, Vice President for Finance and Administration; Dr. Jody Waters, Associate Provost; Sabrina Prud'homme, Board Secretary; Ryan Schnobrich, Internal Auditor; Joe Mosley, Director of Community and Media Relations; Steve Larvick, Director of Business Services; Patti Eliot, Accounting Manager; Ryan Lamanna, Accountant; Colleen Martin-Low, Lead Account/Budget Specialist; John Stevenson, IT User Support Manager; Don Hill, Classroom and Media Services Manager; and Kathy Park, Executive Assistant.

Chair Thorndike advised the committee of one change to the draft June 17, 2016 meeting minutes: in the last line of the penultimate paragraph of the "Internal Audit Plan" section, the word "annually" was removed. Trustee Sevcik moved to approve the June 17, 2016 meeting minutes as amended. Trustee Shih seconded the motion and it passed unanimously.

**Public Comment**

There was no public comment.

**External Audit Update**

Participating telephonically, Jean Bushong highlighted CliftonLarsonAllen's ongoing audit and summarized the external audit findings. Jake Huolihan was also on the call. The audit process began in May and CLA released the audit results a few days ago.

The scope of the audit included four deliverables. The first was the financial statement audit, for which CLA issued a clean, unmodified opinion. The second deliverable was the “Moodle” audit, testing federal programs from which SOU receives financial assistance. CLA issued a clean, unmodified compliance opinion, stating that in all material respects SOU was following federal guidelines. CLA included five matters with this audit. The third deliverable was a management letter. CLA found no significant deficiencies or material weaknesses. However, other matters were reported in the management letter, including IT access rights could be strengthened. Three recommendations were also included. The fourth deliverable was the governance letter.

She also reminded trustees that GASB68 governs the recording of SOU’s proportionate share of the PERS liability. Last year it was a net asset but the State Supreme Court’s Moro decision switched it to a net pension liability.

Ms. Bushong thanked management for all their hard work on the audit. Chair Thorndike and Trustee Nicholson commended CLA and SOU staff on the audit.

### **Board Governance and Self Evaluation Recommendation (Action)**

Introducing the agenda item, Trustee Shih described the functions of the internal governance work group and thanked the board secretary for her work. Trustee Shih mentioned each of the five focus areas for a governance committee: internal governance, board composition, board engagement, board education and board evaluation.

Regarding board engagement, Trustee Shih thought it would be important to track trustee participation in board and committee meetings and in activities on and off campus. For new board members, there would be an orientation, handbooks, mentoring and other considerations. It would be important to create expectations at the outset and provide opportunities for training.

Trustee Shih expressed concern over succession planning because most of the trustees began their terms at the same time and will end at the same time. The board needs a plan to bring people into leadership positions and determine who is interested in serving another term.

Regarding board education, Trustee Shih welcomed suggestions for topic areas. For example, last year the board discussed internet formats for classroom learning and the impact of online courses. President Schott is meeting one-on-one with the trustees to gain feedback on their interests. Trustees also have the opportunity to meet with other staff members to become more familiar with the campus. Further education could occur through campus tours, talking to students and engaging with faculty and staff.

Regarding board evaluation, Trustee Shih recommended that, in order to move forward, the board adopt the evaluation form Sabrina Prud’homme created. It can be restructured in the future and additional elements added if desired. Trustee Shih also recommended the board consider conducting a more comprehensive assessment in 4-5 years.

Since there are already several committees, Trustee Shih did not recommend forming

another committee. Instead, she recommended the function be absorbed into the Executive and Audit Committee. To move forward more quickly, the work group tried to prioritize actions. Trustee Shih discussed some of those actions, including the assessment tool; formalizing the process for introducing agenda items onto board and committee agendas; the possibility of limiting the number of consecutive terms for officers; and creating a matrix to better identify gaps in board composition.

Trustee Steinman said Trustee Shih did a great job and thanked her for her strong leadership.

Discussion was held on the evaluation tool for the board and whether the president's assessment of the board should be included with that; it was noted that the president should be included.

Trustee Nicholson expressed concern about including the governance function in the Executive and Audit Committee, primarily because the committee only meets for one hour each quarter. He thought keeping the work group within the committee would be a good way to get started. Trustee Steinman added that the frequency of the Executive and Audit Committee meetings did arise in the work group's meetings; one suggestion was that the committee could meet more frequently or the meetings could be longer. Trustee Santos added that these considerations are important as is the overall work of the board at both a board and a state level. He supported having the group continue this work.

Discussion then turned to the possibility of including a section for each trustee to assess his or her personal performance as a trustee. This could also serve to remind each trustee of his or her responsibilities.

Trustee Shih moved that the Executive and Audit Committee accept the following recommendations of the board's Internal Governance Work Group. The Executive and Audit Committee will recommend that the full board formally add the function of "governance" to the responsibilities of the Executive and Audit Committee. With this recommendation, the work group acknowledges the need to bring forward the necessary policy changes for review by the committee and approval and adoption by the full board. The work group further recommends that, in accordance with the board's "Resolution on the Responsibilities of Individual Trustees," the Executive and Audit Committee approve the board's immediate administration of the board self-evaluation as presented. She further moved that the work group be retained to continue working on governance issues.

Trustee Sevcik seconded the motion and it passed unanimously.

### **Internal Audit Update**

Ryan Schnobrich referred to his memorandum in the meeting materials and encouraged trustees to reach out to him directly if they ever have questions. He then discussed his work for the quarter. In April, the Internal Audit Charter and FY17 Internal Audit Plan were finalized. Three audit topics were chosen: FERPA



compliance at the Student Health and Wellness Center; Clery Act reporting compliance; and Title IX processes. The FERPA audit has been moved to the spring.

Mr. Schnobrich said he referred the Clery Act reporting audit for 2014 back to management so the focus could be on the 2015 report. Craig Morris added that the review and work Mr. Schnobrich did on the Clery Act report has enhanced what SOU is doing there and brought SOU well into compliance where it may have been borderline. Responding to Trustee Nicholson's inquiry regarding management Mr. Schnobrich consulted with while working on the audit, Mr. Schnobrich said "management" included the President, Board Secretary, General Counsel, Vice President for Finance and Administration and the Director of Campus Public Safety and his team.

Additionally, Mr. Schnobrich and Marjorie Trueblood-Gamble met to discuss Title IX and are developing the audit criteria to get the greatest value. Mr. Schnobrich added that Ms. Trueblood-Gamble will give a Title IX presentation to the Academic and Student Affairs Committee later in the day.

Discussing the audit of the president's office that former president Roy Saigo requested, Mr. Schnobrich described the items reviewed. He clarified that the scope of that audit did not include the accomplishment of mission and goals, although that is sometimes included in a presidential separation audit. Unfortunately, Mr. Schnobrich could not provide the board the requested assurance that Dr. Saigo's business affairs with SOU were in order. Although the conclusions were relatively immaterial, Mr. Schnobrich reviewed the audit results with Chair Thorndike and Dr. Saigo before his departure. He later reviewed the final audit conclusions and recommendations with President Schott, Mr. Morris and others as appropriate, and he invited trustees to follow up with him if desired.

Brian Kinsey has included Mr. Schnobrich in the Service Center's discussions on internal controls around implementing DocuSign software and incorporating best practices. They have executed a consulting agreement related to digitizing processes.

Mr. Schnobrich has received thirteen fraud allegations in the last six months, generally involving waste, abuse and theft. Seven of the allegations have been closed out, being resolved by management discussion or intervention. Responding to Trustee Steinman's inquiries, Mr. Schnobrich said most of the allegations were brought to his attention through the hotline and web portal. He thought the number seemed a little high but he saw that as a positive outcome because it indicates that communication and engagement are happening. Mr. Morris added that, in the year after SOU separated from OUS but before Mr. Schnobrich was hired, he was handling the fraud complaints and there were none.

In responding to a question from Trustee Nicholson, Mr. Schnobrich said that none of the allegations that have been closed were material or they were resolved with management. He added that the fraud presentation is available to the campus and to trustees through the internal audit website [inside.sou.edu/ia](http://inside.sou.edu/ia).

Mr. Schnobrich informed the committee of the various consulting agreements in effect and those he continues developing with various departments, including Athletics and Facilities Management and Planning. He then discussed the breakdown of the time he spends on various activities, giving the committee an idea of the amount of time it takes to provide various internal audit services

### **Presidential Evaluation and Policy Discussion**

Chair Thorndike said he and President Schott have had good discussions on her inaugural review and what will be put in place for the future. President Schott discussed the draft Board Statement on Evaluation of the University President, saying the policy will be presented to the board for approval in January.

President Schott then mentioned some of her personal goals: investing adequate time to develop relationships with campus groups, the board and legislators; designing a strategic planning process and beginning the actual work; reviewing recruitment and retention processes and programs to achieve the greatest possible enrollment; continuing to work with the board on fine tuning; and developing relationships with alumni.

Chair Thorndike mentioned the meetings President Schott is having with faculty members in their offices to get a better feel for the campus. He also said a dynamic 360 degree review in the president's third or fourth year would be expected.

### **Accreditation Site Visit**

Dr. Jody Waters updated the committee on the accreditation team's site visit on October 24-26 and thanked the board for its role. She also commented on how supportive and cooperative everyone has been throughout the process. Dr. Waters described the experience of the team of nine evaluators and said they will meet with a wide range of the campus community over 36 interactions.

### **Future Meetings**

Committee members expressed a willingness to meet in November or December, if the president desired. Otherwise, the next regular meeting would be in January.

### **Adjourn**

Chair Thorndike adjourned the meeting at 12:04 p.m.

# Public Comment

# Presidential Evaluation Policy (Action)

## **Proposed Board Statement on Evaluation of the University President**

It is the policy of the Board of Trustees of Southern Oregon University (“Board”) to review the performance of the President annually.

The primary purposes of the annual review are to enable the President to strengthen their performance and effectiveness in leading the institution to success and to allow the President and the Board to set mutually agreeable goals. The review process is not intended as a substitute for regular and ongoing communication about progress toward goals between the President and the Board.

Annual reviews will inform decisions regarding compensation, although compensation adjustments are not necessarily awarded simultaneously with a positive performance review. Adjustments to, or renewal of, the President’s contract will be handled as a separate matter, taking into account presidential performance, peer-group comparisons and other factors.

The annual review process will occur on a July 1-June 30 cycle. The annual review will cover the preceding year.

The criteria for evaluation and information responsive to those criteria will be based principally on the President’s self-assessment with respect to goals mutually set by the Board and President for the year in review.

The retrospective elements of the President’s self-assessment customarily will include:

- A copy of the mutually-agreed upon goals, with a description of efforts to meet them and the President’s progress assessment.
- A description of other personal or institutional achievements of which the Board should, or might, be informed by the President as aspects of performance or accomplishment.
- Identification of significant institutional or personal challenges the President faced over the course of the review year that affected progress toward goals, with particular focus on those that are likely to persist into the upcoming year or beyond.
- Comments regarding the vice presidents and other equivalent University officers who report directly to the President.
- Key areas in which the Board has been especially supportive.

The prospective elements of the President’s self-assessment customarily will include:

- Goals the President proposes for their individual performance and the institution over the course of the upcoming year and for three to five years.

- The President’s professional development plans and any associated requests of the Board.
- The President’s assessment of the University’s principal current opportunities and challenges.
- Key areas in which the President would especially benefit from Board support.

### Review Process

The President will submit their self-assessment to the Board Chair by July 31 of each year. The Board Chair and the President will then meet to discuss the self-assessment. The Board Chair shall, in a timely manner, seek confidential input and comments from trustees and, as the Board Chair deems appropriate, from members of the University community selected by the Board Chair, as the Board Chair deems appropriate.

The President’s self-assessment will be provided to the Board, along with any other information determined by the Board Chair. The Executive and Audit Committee may meet in executive session for the purpose of evaluating the President, during which the President is to present their self-assessment and engage in a discussion with the Committee regarding both the retrospective and prospective elements of the assessment. The President may be excluded from any portion of such an executive session at the discretion of the Board Chair.

Following the meeting of the Executive and Audit Committee, the Board Chair will prepare an evaluation of the President and a summary of the Committee’s comments. The evaluation and self-assessment will be shared with the full Board prior to any Board’s meeting in which the Board will discuss the evaluation.

At the **Board’s October or fall term meeting**, or as soon thereafter as the Board’s calendar will reasonably allow, the full Board may go into an executive session to discuss the evaluation of the President. The President may be excluded from any portion of such an executive session at the discretion of the Board Chair. After the Board discusses the evaluation of the President, the President will then present to the Board for approval the goals that the President proposes for their individual performance and for the institution for the upcoming year and for three to five years. The President’s presentation of their goals and the Board’s consideration of such goals shall take place in public session.

After the **October or fall term meeting**, the Board Chair will meet with the President to communicate verbally and/or in writing to the President the conclusions of the evaluation and any recommendations, concerns, or priorities arising out of the evaluation.

The Executive and Audit Committee may, at its discretion, perform a comprehensive performance review of the President, including a 360-degree review. A comprehensive review of

this nature should generally be performed prior to consideration of the renewal of the President's contract. When a comprehensive review is performed, it is to be incorporated into the annual review process described above, with such adjustments to the schedule as may be necessary.

Pursuant to ORS 351.065, documents regarding the President's performance, including the Board's evaluation, the 360-degree review, and the President's self-assessment, are faculty personnel records and are not public records.

The Board will periodically review and, as necessary or desirable, revise this policy and its associated procedures in light of experience gained, best practices, and legal developments as applicable.

Approved on \_\_\_\_\_, 2017

\_\_\_\_\_  
Chair, Board of Trustees

\_\_\_\_\_  
University Board Secretary

# President's Goals (Action)





**2016-17 Goals**  
**Dr. Linda Schott**  
**President**  
**Southern Oregon University**

1. To work with the Board of Trustees to strengthen the governance of the University. This entails developing good working relationships with Board members, facilitating the further development of the Board's knowledge of SOU and of higher education in general, and ensuring that management provides the Board with all it needs to govern SOU responsibly and effectively.
2. To build a strong leadership team and to cultivate relationships with faculty, staff and students on campus through clear communication and interpersonal interactions.
3. To develop and begin implementation of a strategic planning process that will establish a new (or revised) vision, mission and values for SOU as well as clearly articulate the primary objectives, goals, and strategies for advancing the University and ensuring its financial sustainability.
4. To conduct a comprehensive review of SOU's student recruitment processes and programs as well as efforts to enhance student success and retention with the goal of more efficiently utilizing resources and increasing overall enrollment.
5. To work closely with the Vice President for Development to develop relationships with donors and alumni and assist with achieving SOU's annual fundraising goal of \$3.3 million dollars. Efforts will include individual meetings with SOU's top 15 donors and connecting with alumni at events throughout Oregon and other western states.
6. To enhance my knowledge of the political landscape of Oregon and working effectively with state legislators and local government officials in support of SOU and higher education in the state.
7. To build relationships with other leaders of higher education in Oregon, business leaders, employers, and other constituents of SOU.
8. To ensure that SOU continues to meet the financial and academic targets established in the 2014 retrenchment plan.

# Audited Financial Statements (Action)

[\(Click Here to View\)](#)

# Proposed Revisions to Committee Meeting Schedule (Action)

<b>SOU Board of Trustees Proposed Board and Committee Meeting Schedule</b>				
<b>MEETING:</b>	<b>Board of Trustees</b>	<b>Executive and Audit</b>	<b>Academic and Student Affairs</b>	<b>Finance and Administration</b>
<b>DAY</b>	Third Fridays	Third Fridays	Third Thursdays	Third Thursdays
<b>FREQUENCY</b>	Once per quarter	Once per quarter  (Interim meetings as needed for governance or audit)	Once per quarter  (Interim meetings as needed for curriculum approvals)	Once per quarter: July – Dec. Monthly: Jan. – June
<b>TIME:</b>	12:00 – 5:00 p.m.	9:30 – 11:30 a.m.	12:00 - 3:30 p.m.	4:00 p.m. to 6:00 p.m. Qtr. 4:00 p.m. to 5:00 p.m. Others
<b>DATES:</b>	January 20, 2017	January 20, 2017	January 19, 2017	January 19, 2017
				February 16 (1hr: Budget focus only)
		March 17, 2017 (Governance Infrastructure)		March 16, 2017 (1hr: Budget focus only)
	April 21, 2017	April 21, 2017	April 20, 2017	April 20, 2017
		May 19, 2017 (Governance Infrastructure)		May 18, 2017 (1hr: Budget focus only)
	June 16, 2017	June 16, 2017	June 15, 2017	June 15, 2017
	September 29, 2017 (Fifth Friday, term starts 9/25)	September 29, 2017 (Fifth Friday, term starts 9/25)	September 29, 2017 (Fifth Friday, term starts 9/25)	September 29, 2017 (Fifth Friday, term starts 9/25)
			or	
	October 20, 2017	October 20, 2017	October 19, 2017	October 19, 2017
	January 19, 2018	January 19, 2018	January 18, 2018	January 18, 2018
				February 15, 2018 (1hr: Budget focus only)
	March 16, 2018	March 16, 2018	March 15, 2018	March 15, 2018
				April 19, 2018 (1hr: Budget focus only)
				May 17, 2018 (1hr: Budget focus only)
	June 22, 2018	June 22, 2018	June 21, 2018	June 21, 2018

## Description of Proposed Amendments to Board and Committee Meeting Schedule

### **Board of Trustees: Once per quarter, spring meeting in March**

Vice President of Finance and Administration requests the board's consideration of moving the earlier spring meeting from April to March beginning in 2018 to allow greater time for tuition decisions to be included in the budget formation process. This also will better align the timing of SOU's tuition decision with that of other Oregon Public Universities. The meetings would remain on third Fridays and would continue to take place from noon to 5:00 p.m.

### **Executive and Audit: Once per quarter for a longer duration with interim meetings as needed**

The quarterly one-hour meeting would be extended to two hours. A single interim meeting may be convened between quarterly meetings for deep dives into governance or auditing based on need, taking into account the calendar of events affecting these areas. The meetings would remain on third Fridays and the time would be 9:30 -11:30 a.m.

### **Academic and Student Affairs: Once per quarter for a longer duration with interim meetings as needed**

The committee would meet once per quarter, with dates coinciding with those of the full board. However, the duration of these meetings could be extended up to four hours if needed. These meetings also could occur earlier in the day. The meetings would remain on third Thursdays and 12:00 – 3:30 p.m. is the proposed time. (Start time could occur later if a shorter agenda warrants it.)

### **Finance and Administration: Monthly January through June for a shorter duration during months between quarterly meetings; once per quarter July through December**

It was determined that the FAC needs frequent meetings to carry out its work, but the need for this is greatest during the budget cycle. So, their proposed schedule would be more complicated, though still less frequent. The meetings would remain on third Thursdays from 4:00 to 6:00 p.m. (End time could occur earlier when a shorter agenda warrants it.)

1. **Where there is no change in the day, time or occurrence:** The committee would continue to hold its two-hour meetings in conjunction with quarterly board meetings on Thursdays from 4:00 to -6:00 p.m.
2. **Proposed change to meetings in the 1<sup>st</sup> half of the calendar year:** During the most active budget months of January through June, in months in which no quarterly meeting of the board takes place (e.g. February), committee meetings would still take place, but would only be for one hour and would only deal with budget items (i.e., no investment report, no periodic management report, etc.).
3. **Proposed change to meetings in the second half of the calendar year:** From July through December, there would be no intermittent monthly meetings – only quarterly meetings to coincide with those of the full board (e.g. October).

**Proposed Amendment to “Board  
Statement on Board Committees” to Add  
Board Governance to the Express  
Responsibilities of the Executive and  
Audit Committee (Action)**

## Proposed Board Statement on Board Committees

### 1.0 Standing Committees and Ad Hoc Committees

Subject to the requirements of applicable law, the Board may establish such Standing Committees and Ad Hoc Committees as it deems appropriate or necessary from time to time and shall define the duration, existence, duties, membership and reporting requirements of such committees. The Standing Committees of the Board shall be the Executive and Audit Committee, Finance & Administration Committee, and Academic and Student Affairs Committee. Standing Committees may consist only of Trustees, continue until terminated by the Board, and develop a charter for approval by the Board. The term of Ad Hoc Committees, if any, shall be one year or less. An Ad Hoc Committee shall include at least one Trustee, engage in information gathering and reporting only, and make any report or recommendation to the Chair of the Board or the Chair of a Standing Committee.

### 2.0 Executive and Audit Committee

2.1 There shall be a six-member Executive and Audit Committee (EAC) of the Board of Trustees, which shall sit as the Executive Committee of the Board and the Audit Committee of the Board. The Chair and Vice Chair of the Board and the chairs of the Finance & Administration Committee and Academic and Student Affairs Committee shall each be an ex officio voting member of the EAC, and the Chair of the Board shall select the fifth and sixth voting members. The University President may not serve on the EAC. The Chair of the Board shall be the chair of the committee. During the absence or incapacity of the Chair, the Vice Chair shall be the chair. During the absence or incapacity of the Chair and the Vice Chair, the chair of the Finance & Administration Committee shall be the chair.

2.2 When sitting as the Executive Committee, the EAC shall represent and, except as prohibited by applicable law, may act for the Board on any matter, except for the hiring or removal of the President of the University. The committee should generally endeavor to refer matters to the Board, but it is expected that the committee will act for the Board when the committee determines it to be necessary or appropriate. The committee shall submit reports on its actions to the Board.

2.3 When sitting as the Executive Committee, the EAC shall consider matters pertaining to the hiring, employment, and removal of the President of the University. Such matters, except for the hiring or removal of the President, shall be referred to the Board as seconded motions. The hiring or removal of the President shall be referred to the Board as a proposed motion.

2.3.2.4 When sitting as the Executive Committee, the EAC shall consider matters pertaining to governance of the Board such as structure, composition, engagement and assessment. The committee should generally endeavor to refer matters to the Board, but it is expected that the committee will act for the Board when the committee determines it to be necessary or appropriate. The committee shall submit reports on its actions to the Board.

2.4.2.5 When sitting as the Audit Committee, the EAC may consider matters pertaining to audits, compliance and risk management. Matters that may be brought before the committee include, but are not limited to, the following examples:

2.4.12.5.1 Audits and Internal Controls-matters relating to external and internal auditors, audit plans and reports, and internal controls.

2.4.22.5.2 Compliance-matters relating to compliance with legal and regulatory requirements.

2.4.32.5.3 Risk Management-matters relating to risk management, insurance, and risk transfer devices.

2.52.6 All matters considered pursuant to section 2.4 by the EAC sitting as the Audit Committee that require action by the Board shall be referred to the Board as a seconded motion unless authority to act on behalf of the Board has been delegated expressly to the EAC. Subsequent to the transaction of any business under such express delegated authority, the committee shall render a report on the business to the Board.

2.62.7 Any of the examples of matters brought before the EAC sitting as the Audit Committee pursuant to section 2.4 may be directed to any other committee or the Board for consideration.

### **3.0 Finance & Administration Committee**

3.1 There shall be a seven-member Finance & Administration Committee (FAC). At the Board's second regular meeting of each odd-numbered calendar year or such other time that the Board Chair determines is necessary to the orderly operation of the Board's business, the Board Chair shall appoint the chairperson and other members of the FAC. The Chair and Vice Chair of the Board shall not be appointed to the FAC but may act as alternates, including voting, in the event of the absence of any committee member at any regular, special or emergency meeting.

3.2 All matters considered by the FAC that require action by the Board shall be referred, as appropriate, to the Board or the Executive Committee for action as a seconded motion unless authority to act on behalf of the Board has been delegated expressly to the FAC. Subsequent to the transaction of any business under express delegated authority, the FAC shall render a report on the business to the Board.

3.3 The FAC may consider matters pertaining to the financial, capital, and other assets of the University. Matters that may be brought before the Committee include, but are not limited to, the following examples:

3.3.1 Budget-matters relating to the University's operating and capital budgets



- and requests for appropriation of state funds.
- 3.3.2 Investments and Finances-matters relating to the University's investments, finances, financial accounts, and debt finance.
- 3.3.3 Tuition and Fees-matters relating to tuition and mandatory enrollment fees.
- 3.3.4 Real Property-matters related to the acquisition, management, development and disposal of real property.
- 3.3.5 Personal Property-matters related to the acquisition, management, development and disposal of personal property, tangible and intangible.

Any of the above enumerated examples of matters brought before the FAC may be directed to any other committee or the Board for consideration.

#### **4.0 Academic and Student Affairs Committee**

4.1 There shall be a seven-member Academic and Student Affairs Committee (ASAC). At the Board's second regular meeting of each odd-numbered calendar year or such other time that the Board Chair determines is necessary to the orderly operation of the Board's business, the Board Chair shall appoint the chairperson and other members of the ASAC. The Chair and Vice Chair of the Board shall not be appointed to the ASAC but may act as alternates, including voting, in the event of the absence of any committee member at any regular, special or emergency meeting.

4.2 All matters considered by the ASAC that require action by the Board shall be referred, as appropriate, to the Board or the Executive Committee for action as a seconded motion unless authority to act on behalf of the Board has been delegated expressly to the ASAC. Subsequent to the transaction of any business under express delegated authority, the ASAC shall render a report on the business to the Board.

4.3 The ASAC may consider matters pertaining to the teaching, research, and public service programs of the University and to its faculty, staff, and students. Matters that may be brought before the Committee include, but are not limited to, the following examples:

- 4.3.1 Faculty and Staff Affairs-matters relating to the faculty and the professional and classified staff, including their status and responsibilities, discipline and welfare.
- 4.3.2 Educational Policy-matters relating to educational policy, including admissions requirements, instruction, curriculum, degrees, research, educational technology, distance learning, public services activities, and the establishment and disestablishment of educational and research organizational units.
- 4.3.3 Student Welfare-matters relating to the general welfare of students, including housing and food services, health services and health insurance, safety, extracurricular activities, sports programs, and policies governing student discipline and student organizations.

Any of the above enumerated examples of matters brought before the ASAC may be

directed to any other committee or the Board for consideration.

### **5.0 Notice of Meetings of Standing Committees**

Meetings of Standing Committees of the Board shall be held at such times and places as may be fixed by each committee or its chair. The Secretary shall cause the required notices of meetings of Standing Committees to be sent to each member of the Board. The Secretary shall also cause the preparation of the minutes, any audio recording, audio and video recording, streaming audio, or streaming audio and video of the meeting. The Secretary shall cause the minutes and any recording or transmission to be maintained in accordance with applicable records retention requirements.

### **6.0 Quorums**

A majority of the members of a Standing Committee shall be necessary to constitute a quorum. The faculty and non-faculty staff members of any committee may not participate in any discussions or action by the committee or attend any executive session of the committee involving collective bargaining issues that affect faculty or non-faculty staff at the University.

### **7.0 Information Gathering and Investigation**

The Chair of the Board or the Vice Chair during the Chair's absence or incapacity, may appoint one to three members of the Board or one or more other persons to gather information and provide it to the Board or a Board Committee. The Chair of a Standing Committee may appoint one to three members of the Standing Committee or one or more other persons to gather information and provide it to the Standing Committee.

Approved on January 30, 2015

Revised on \_\_\_\_\_, 2017

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Chair, Board of Trustees

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University Board Secretary

# Internal Governance Work Group Update



## **Executive Summary 2015-16 Board Self-Evaluation**

This is a summary report of the results from a self-evaluation survey of the performance of the SOU Board of Trustees for academic year 2015-2016. The purpose of the survey was to fulfill the board's responsibility of self-evaluation and to provide feedback as well as input regarding board operations, performance, and services. The university board secretary (UBS) designed the web-based evaluation survey based on templates provided by the Association of Governing Boards of Universities and Colleges, along with other models provided by Oregon Public Universities, specifically, University of Oregon, which has had a Board of Trustees for a longer period of time and previously has conducted board evaluations. This evaluation survey was approved for use by the SOU Board of Trustees and programmed using Qualtrics, an on-line survey hosting tool commonly used to administer surveys at SOU. On October 25, 2016, the UBS distributed the evaluation survey via hyperlink provided in an email to the 14-member SOU Board of Trustees. The evaluation survey included three sections: the board, meetings, and miscellaneous feedback. The survey was available to the respondents until November 27, 2016. Twelve of the 14 members of the SOU Board of Trustees responded to the survey. The following represents a brief summary of the findings of the evaluation survey.

### **The Board**

The respondents were asked to rate themselves with regard to fulfillment of expectations for board members as described in the Board's "Resolution on the Responsibilities of Individual Trustees" (i.e., evaluation, fiduciary duties, service, respect, and personal behavior). The majority of respondents rated themselves as being "very effective" or "extremely effective" in each area of responsibility. The areas where a few respondents (n=5) rated themselves as being "moderately effective" to "not effective at all" were in the areas of evaluation and fiduciary duties. Generally, most respondents do not perceive barriers to participation. All respondents indicated that they participated in the "life of the university," with SOU-related community events being the most frequently attended, followed by fundraising events, athletic events, and convocation. Events least frequently attended by the respondents were in student activities (i.e., ASSOU meetings, student events, ROARs) as well as Faculty Senate meetings.

The board members were asked to rate their collective knowledge and experience in 13 areas. While the range of ratings in each area varied widely from "no knowledge at all" to "extremely knowledgeable," the majority of respondents rated the board as being "very knowledgeable" to "extremely knowledgeable" in the areas of financial management, strategic planning and execution, enterprise management, board-president/CEO relationships, philanthropy, and government relations. The majority of respondents rated the board as being "moderately knowledgeable" in the areas of academic affairs, student affairs, higher education, legal affairs, physical plant, compliance, and research. The

highest average ratings were in the areas of strategic planning and financial management. The lowest average ratings were in the areas of research and physical plant.

The majority of the respondents (n= 9, 75%) rated the overall performance of the board as being “very effective.” Three respondents (25%) found the board “moderately effective” or “slightly effective.”

When asked what issues trustees would like to see more board engagement on or what areas they personally would like to focus on, the following areas were identified.

- | <b>The Board</b>  | <b>Individual Trustees</b>   |
|---|--|
| <ul style="list-style-type: none"> <li>• (n=5) Strategic planning w/president (including mission/vision)</li> <li>• (n=2) Governance issues/evolve as governing body</li> <li>• Funding model and budget</li> <li>• More visibility w/campus community</li> <li>• Hold more effective meetings/ have members be proactive rather than passive listeners</li> <li>• Importance and appearance of transparency</li> </ul> | <ul style="list-style-type: none"> <li>• (n=4) Strategic planning/vision, mission, strategy, Strategic expansion of degrees offered</li> <li>• (n=2) Best policies/data regarding [student] success*</li> <li>• Financial management</li> <li>• How best to make a positive impact on future of SOU</li> <li>• Government relations (HECC, legislators); Work w/state on developing reliable ongoing funding stream</li> <li>• More meaningful meetings</li> <li>• Board succession planning/rotation of positions</li> <li>• Recruitment, retention, university philanthropy</li> </ul> |

Regarding future service, six respondents would like to be considered for chairing a special committee; five respondents are fine with their current levels of service; three respondents would like to be considered for committee chair positions; and two would like to be considered for the vice-chair position in the future. It is important to note that no respondent indicated that he or she would like to be considered for the board chair position in the future.

### **Meetings**

The majority of the respondents indicated that the board and its committees have “just enough” (n=10, 83%) meetings. Regarding the location of committee meetings, the majority of the respondents (n=7, 58%) responded that they would consider other meeting locations “if it logically makes sense with our agenda to hold meetings in [other] spaces.” Three trustees (25%) responded that, for consistency and accessibility, the board should try to stay in the same place for each meeting. Regarding the location of quarterly board meetings in Medford, the majority of respondents (n=8, 67%) responded that they would “be indifferent to” more meetings on the Medford Campus. Two respondents (17%) indicated they would “very much like to have” quarterly board meetings in Medford and two respondents (17%) indicated that they would “strongly urge against having many” quarterly board meetings in Medford.

Other general feedback about the board's meetings schedule included:

- Holding fewer meetings (n=7)
- Condensing information so that there is less redundancy and so that calendars coincide better (n=3)
- Support for keeping meetings during the third week of the month and for meeting in other buildings (n=1)

### **Miscellaneous Feedback**

Of the other comments and suggestions given, the most common topics were regarding board operations and interactions during meetings. These include:

- Reducing redundancy of materials presented at meetings
- Providing more time and focus on open discussion (as at the board's retreat)
- Give each trustee an opportunity to talk, and [for chairs to] gain more control over the situation when one trustee talks more than others [in meetings]
- Foster greater ability to disagree constructively

Other suggestions and comments included:

- A need to increase understanding of shared governance and higher education in Oregon, including HECC's role
- Concerns about trustee recruitment and the recruitment time required for trustee replacement
- The need to build on the progress the board has made so far (underscoring the importance of board leadership and the board's role in strategic planning)

## SOU Board of Trustees

### Self-Assessment and Board Performance Evaluation

Name: \_\_\_\_\_ (for recording purposes only)

Years of service on the SOU Board of Trustees: \_\_\_\_\_

If eligible, are you willing to serve another term? Yes  No

1. Expectations for Board members are described in the Board's "Resolution on the Responsibilities of Individual Trustee". Please rate yourself on the following.

	Not Effective	Slightly Effective	Moderately Effective	Very Effective	Extremely Effective
Evaluation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fiduciary Duties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Respect	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Personal Behavior	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

2. Please mark your current participation, your professional expertise, and your future interest in the following committee areas.

	Currently Serve	Professional Expertise	Future Interest
Academic and Student Affairs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Executive and Audit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Finance and Administration	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. Have you participated in other activities aside from required Board and committee meetings? Yes  No

Please check all the SOU activities that you have attended:

<input type="checkbox"/> Commencement	<input type="checkbox"/> Faculty Senate Meeting
<input type="checkbox"/> Convocation	<input type="checkbox"/> Athletic Events
<input type="checkbox"/> Student Activities (e.g., Luau)	<input type="checkbox"/> SOU-Related Community Events
<input type="checkbox"/> ROARS	<input type="checkbox"/> Fundraising Events
<input type="checkbox"/> ASSOU Meetings	<input type="checkbox"/> Other

4. Are there barriers to your participation and/or fulfillment of your Board responsibilities? (e.g., conflict in work schedule, increased family commitments, residence out-of-town, evolving personal health issues, other commitments...) Yes  No

If yes, please explain.

5. Are there ways that the Board or university staff can help or address?

6. Please indicate your “personal” level of professional expertise in the following areas and check the area(s) that you would like additional training/information.

	No Experience	Limited Experience	Moderate Experience	High Experience	Additional Training/Information
<b>Strategic planning and execution</b> <i>(mission, goal setting, measurement)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Academic Affairs</b> <i>(faculty matters, curriculum, academic support programs)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Student Affairs</b> <i>(student life, student government, student success, issues)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Higher Education</b> <i>(trends, issues, history, nuances, emergent issues)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Board-President/CEO Relationships</b> <i>(management, development, evaluation, employment)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Enterprise Management</b> <i>(internal/external audits, business affairs, internal controls, processes)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Financial Management</b> <i>(financial audits, budgets, investing, bonding)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Philanthropy</b> <i>(fundraising, stewardship, endowment, investment)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Government Relations</b> <i>(federal affairs, state affairs, appropriations, legislative process)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Legal Affairs</b> <i>(policies, risk, litigation, employment matters)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Physical Plant and Planning</b> <i>(construction, capital projects, maintenance, planning)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Research</b> <i>(grants, federal funding, commercialization, internal review board/safety)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Compliance</b> <i>State statutes, policy development, performance assessment)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



**7. Please assess the Board’s “collective” professional knowledge and experience in the following areas.**

	No Knowledge	Slightly Knowledgeable	Moderately Knowledgeable	Very Knowledgeable	Extremely Knowledgeable
<b>Strategic planning and execution</b> <i>(mission, goal setting, measurement)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Academic Affairs</b> <i>(faculty matters, curriculum, academic support programs)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Student Affairs</b> <i>(student life, student government, student success, issues)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Higher Education</b> <i>(trends, issues, history, nuances, emergent issues)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Board-President/CEO Relationships</b> <i>(management, development, evaluation, employment)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Enterprise Management</b> <i>(internal/external audits, business affairs, internal controls, processes)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Financial Management</b> <i>(financial audits, budgets, investing, bonding)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Philanthropy</b> <i>(fundraising, stewardship, endowment, investment)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Government Relations</b> <i>(federal affairs, state affairs, appropriations, legislative process)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Legal Affairs</b> <i>(policies, risk, litigation, employment matters)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Physical Plant and Planning</b> <i>(construction, capital projects, maintenance, planning)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Research</b> <i>(grants, federal funding, commercialization, internal review board/safety)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Compliance</b> <i>(State statutes, policy development, performance assessment)</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



**13. What are your suggestions to improve the performance of the Board?**

**14. Please provide any additional comments/suggestions regarding the Board.**

**15. What can staff members do to better serve the Board? *(Please provide general comments rather than comments directed at a specific individual.)***

**16. Please provide any additional feedback on any item(s) in this evaluation, or on items not otherwise addressed.**

Additional feedback:

*The following questions address relevant issues for this evaluation period.*

**17. What do you think about the number of Board and Committee Meetings in 2015 - 2016?**

	Too Few	Too Many	Just Enough	Too Many (but unavoidable under the circumstance)
<b>Full Board Meetings</b>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Executive and Audit Committee</b>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Academic and Student Affairs Committee</b>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
<b>Finance and Administration</b>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**18. Would you like for us to consider having occasional Board and/or committee meetings at other SOU locations, such as other buildings, the student union, and the Medford campus?**

- Yes, I would like us to consider meeting in these other places.
- Yes, I would like us to consider meeting in these other places, but only if it makes sense with our agenda to hold meetings in these places
- No. For consistency and ease of access, I would like us to meet in the same place.

**19. For quarterly Board meetings on Medford campus:**

- I would very much like to have more meetings on the Medford campus
- I strongly urge against having more meetings on the Medford campus
- I would be indifferent to having more meetings on the Medford campus

**20. Please provide additional feedback regarding our Board's meeting schedule.**

**21. How should Board members introduce agenda items to the chairs?**

- We should email the chairs and/or board secretary with a suggestion.
- The Chair should invite suggestions for future topics as an agenda item at the end of each meeting.
- Both methods should be used.
- I suggest another way to introduce agenda items: \_\_\_\_\_

**22. Are the information/materials presented to the Board by the administrative unit and staff relevant and helpful to the Board in their decision making and in meeting their fiduciary responsibilities? Yes  No**

Other feedback about presentation material:

**23. Our Board uses common parliamentary procedures to conduct our meeting. Would you like to see more procedures implemented?**

- No, our meeting procedures are fine/too much procedures get in the way of progress
- Yes, our meeting procedures need to be more structured/ our meetings could benefit from additional procedures
- I suggest the following specific improvement to our meeting procedures:

Other suggestions:

**24. At full Board meetings, how would you rate the amount of time spent discussing seconded motions from committees?**

- Too much
- Not enough
- The appropriate amount of time

**25. Please provide feedback on the lunchtime educational program at full Board meetings (i.e., HECC overview, Diversity and Including, Safety and Security, Sustainability, Science Building Tour, etc.). Which ones have been educational? Should we continue this practice? What areas would you like to see or learn more?**

**26. The online materials received in preparation for meetings:**

- Need to be simplified and made shorter.
- Should be more in-depth.
- Are fine the way they are and provide the appropriate information that we need.

**27. Are you interested in a different or more formal format for meeting materials?**

- Yes, a more formal format would be a welcomed change.
- No, more formality or an increase in materials would be an unwelcomed change.
- I'm not sure. I'm comfortable with our current format.

**28. Would you like to complete a short assessment survey at more frequent intervals (for example, following each quarterly meetings) to gauge progress and/or performance of the Board?**

- Yes
- No

**29. What do you think of the amount of communication from the board office?**

- Too much
- Too little
- The appropriate amount

Suggestions for improvement:

**SOUTHERN OREGON UNIVERSITY  
BOARD OF TRUSTEES  
Handbook**

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\* Asterisks denote content items that do not currently exist or items that must be updated significantly

DRAFT



<b>Board Composition and Recruitment Matrix</b>																	
Legislation requires 11 to 15 max., including president																	
Current Members																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Total	
	Thordike	Sevcik	AuCoin	Hennion	Nicholson	Neutenboom	Santos	Sayre	Schott (Ex Office)	Shih	Slattery	Steinman	Vincent	Washington		Total	
<b>Skill/Competencies</b>																	
Strategic planning and execution (mission, goal-setting, measurement)																	0
Academic affairs (Faculty matters, curriculum, academic support programs)																	0
Student affairs (student life, student government, student success, issues)																	0
Higher education (trends, issues, history, nuances, emergent issues)																	0
Board-president/CEO relationships (management, development, evaluation, employment)																	0
Enterprise management (internal/external audits, business affairs, internal controls, processes)																	0
Financial management (financial audits, budgets, investing, bonding)																	0
Philanthropy (Fundraising, stewardship, endowment investment)																	0
Government relations (federal affairs, state affairs, appropriations, legislative process)																	0
Legal affairs (policies, risk, litigation, employment matters)																	0
Physical plant and planning (construction, capital projects, maintenance, planning)																	0
Research (grants, federal funding, commercialization, internal review board/safety)																	0
Compliance (state statutes, policy development, performance assessment)																	0
<b>Intellectual Capital</b>																	
Nonprofit program design/evaluation																	0
Educator/Academic																	0
Business Development																	0
Leadership development																	0
<b>Social/Relationship Capital</b>																	
Fundraising/Access to resources																	0
National field/industry network																	0
Southern Oregon Region																	0
Other geographic region																	0
<b>Political/Reputational Capital</b>																	
Corporate sector																	0
Nonprofit sector																	0
Government sector																	0
Philanthropy																	0
Respected community leader																	0
<b>Qualities</b>																	
Availability/capacity to work																	0
Team building/bridger																	0
Strategic with follow-through																	0
Mission passion/connection																	0
Financial contributor																	0
Visionary/big picture thinker																	0
Strong communicator																	0

Board Composition and Recruitment Matrix																		
Legislation requires 11 to 15 max., including president																		
Current Members																		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Total		
	Thordike	Sevcik	AuCoin	Hennion	Nicholson	Neutenboom	Santos	Sayre	Schott (Ex Officio)	Shih	Slattery	Steinman	Vincent	Washington		Total		
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
<b>Demographics</b>																		
Male																		
Female																		
People of Color																		
Age 18-29																		
Age 30-49																		
Age 50-64																		
Age 65+																		
LGBTQ																		
<b>Leadership Positions (Service Years)</b>																		
Board Chair	2014-2015 2015-2016 2016-2017																	
Executive and Audit Committee Chair	2014-2015 2015-2016 2016-2017																	
Finance and Administration Committee Chair					2014-2015 2015-2016 2016-2017													
Academic and Student Affairs Committee Chair							2014-2015 2015-2016 2016-2017											
Presidential Search Committee Chair				2016														
Special Committee Chair																		
<b>Committee Membership (Service Years)</b>																		
Executive and Audit Committee	2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017		2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017				2014-2015 2015-2016 2016-2017	N/A	2014-2015 2015-2016 2016-2017						6	
Finance and Administration Committee	2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017			N/A	2014-2015 2015-2016 2016-2017		2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017				7
Academic and Student Affairs			2014-2015 2015-2016 2016-2017					2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017	N/A	2014-2015 2015-2016 2016-2017		2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017	2014-2015 2015-2016 2016-2017			7
1st Term - Year Joined	2014	2014	2014	2014	2014	2014	2016	2014	2016	2014	2014	2014	2014	2014	2014			
2 or 4 year terms	4	4	4	4	4	2	4	4	N/A	4	2	2	4	4				
1st Term - Year Expired	2018	2018	2018	2018	2018	2016	2019	2018		2018	2016	2016	2018	2018				
2nd Term - Year Renewed						2016					2016	2016						
2nd Term - Year Expired						2018					2018	2018						

# Internal Audit Update



Southern Oregon University  
Quarterly Update  
to the  
Executive & Audit Committee  
By  
Ryan Schnobrich, C.P.A.  
Internal Auditor  
January 20, 2017

When we met in October I updated the Committee on the various audits and consulting agreements underway. We briefly discussed that I have received an abnormal number of allegations requiring substantiation and I mentioned enterprise risk management.

The Title IX audit is progressing slowly but steadily as Marjorie and I develop the audit engagement outline. Marjorie has provided me with some recent conference and training materials as well as some online resources which I have been reviewing in detail. I recently attended an informative Association of College and University Auditors' webinar on auditing Title IX.

This audit has been slow to start because of the approximately 160 hours I have spent fiscal year-to-date processing allegations and increasing fraud awareness. I have received three more allegations since the last committee meeting. Most of the now fifteen allegations I have processed in the last nine months have been turned over to management with an eye towards risk management, internal control processes, and preventing similar occurrences in the future.

I held two all-campus and two Service Center fraud awareness presentations this month. Student Life and I are scheduling another presentation for student club leadership.

One allegation in particular proved to be material and it is where I spent more than half of this time. I have issued a draft investigative services report to management itemizing compliance and internal control observations and recommendations. A response from management will be included in the final report. The report will be made available on Internal Audit's Board reporting page: <https://inside.sou.edu/ia/electronic-reports.html>

I tentatively believe that I will still be able to perform the FERPA audit with the Student Health and Wellness Center later this Spring. There is a growing possibility that the audit may need to be reconsidered due to time constraints though.

There is further discussion to be had regarding reissuing prior year Clery Act reports and campus integration requirements to be Clery Act compliant.

There are a baker's dozen of remaining objectives in this year's Internal Audit Plan. Other than capacity-building many of them focus around risk assessment, risk and internal control documentation, and risk scoring in preparation for next fiscal year's Internal Audit Plan.

In an effort to facilitate communication regarding risk in plain English I've added a "risk dictionary" to Internal Audit's website: <https://inside.sou.edu/ia/risk-dictionary.html>

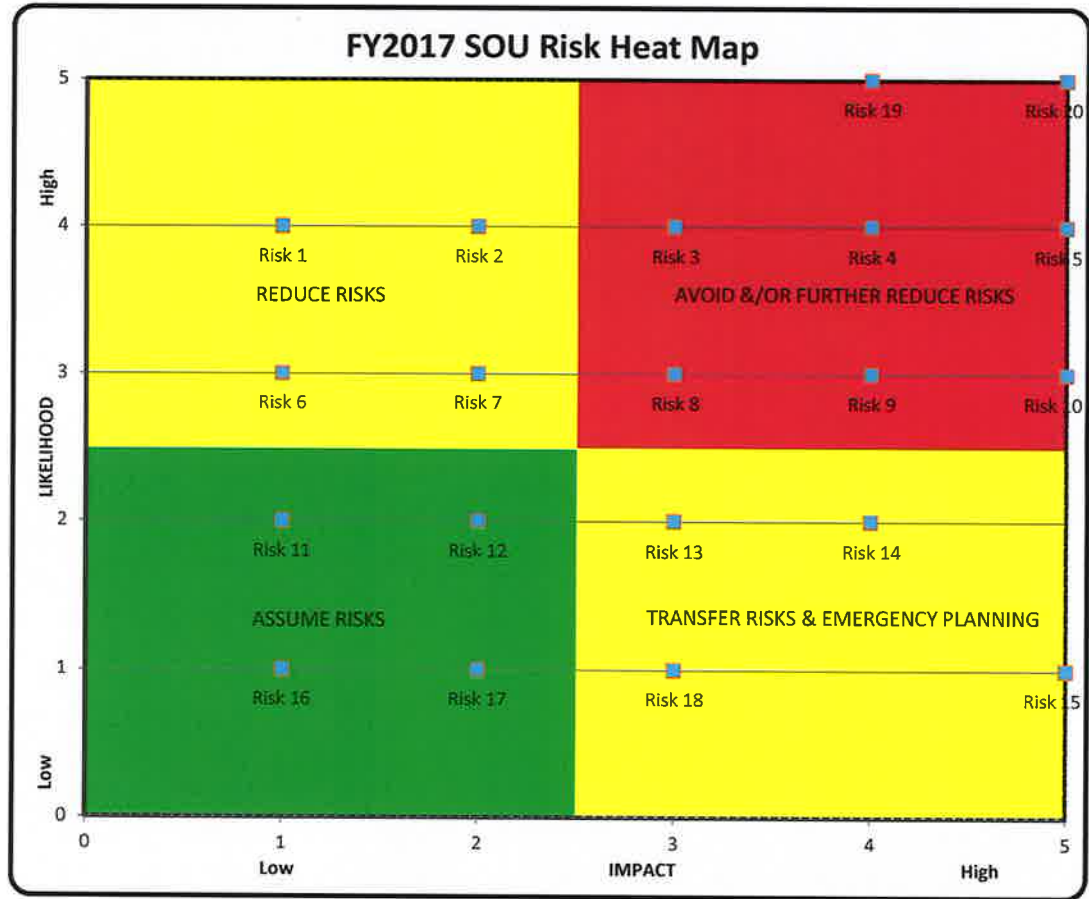
I am assisting several members of the Policy Council in the process of reviewing conflict of interest, code of ethics, financial irregularities and internal control policies. When these policies are in final draft form, they will be presented to you by management. The policy on internal controls includes enterprise risk management; which Jason Catz and Brad Christ have generously shown leadership. I prepared a risk self-assessment survey per the Internal Audit Plan. Given how early discussions are regarding enterprise risk management, I am going to shelve it until a more appropriate time. The strategic planning process will also generate objectives which have risks and opportunities that will be assessed, tracked and discussed as part of management's risk management.

None of these initiatives preclude my standards-required risk assessment though. Each auditable area on campus will be assessed commensurate with their risk exposure and scored based on criteria. I've reviewed the criteria with executive management. The criteria specifically include significant input from executive management which will be obtained during risk interviews. The top ten to twenty risks will be stack ranked and graphed in a heat map based on impact and likelihood of an event (Exhibit A). Certain specific auditable areas will become candidates for consulting agreements or audits in next year's Internal Audit Plan.

Exhibit B is a pie chart breaking down how I have been spending my time.

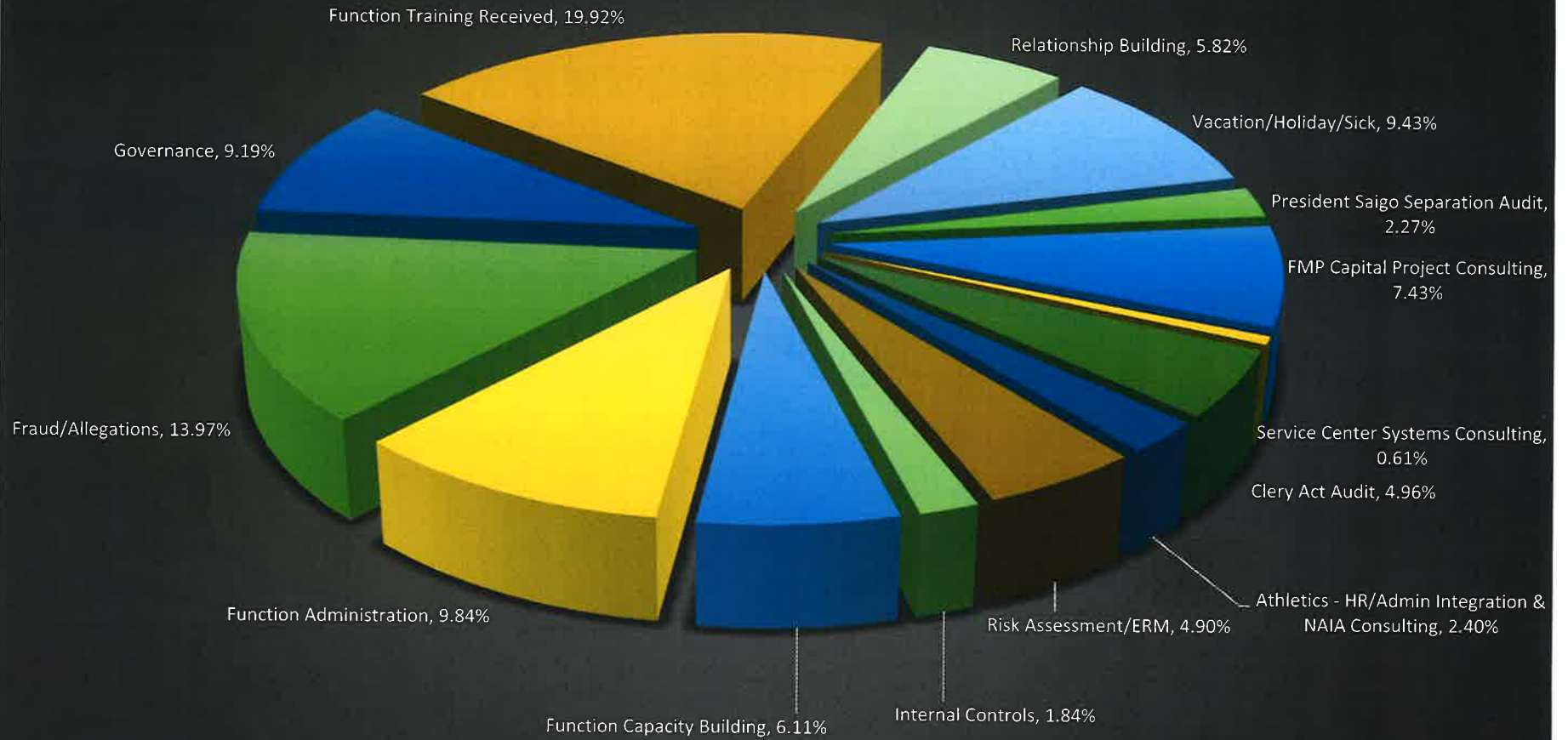
A

Top 20 Risks	Impact	Likelihood	Total Risk Score
Risk 1	1	4	0
Risk 2	2	4	100
Risk 3	3	4	90
Risk 4	4	4	80
Risk 5	5	4	70
Risk 6	1	3	60
Risk 7	2	3	50
Risk 8	3	3	40
Risk 9	4	3	30
Risk 10	5	3	20
Risk 11	1	2	10
Risk 12	2	2	0
Risk 13	3	2	90
Risk 14	4	2	80
Risk 15	5	1	70
Risk 16	1	1	60
Risk 17	2	1	50
Risk 18	3	1	40
Risk 19	4	5	30
Risk 20	5	5	20



B

## FY17 Internal Audit Time Keeping





# Future Meetings

**Adjourn**