



**PUBLIC MEETING OF THE WOU BOARD'S  
EXECUTIVE, GOVERNANCE AND TRUSTEESHIP COMMITTEE (EGTC)**

**Meeting No. 39**

**February 2, 2024 | 1:00-2:20 pm**

**Public Meeting: [Zoom](#)**

**Meeting ID: 253 215 8782 | By Phone: 1-253-215-8782**

**AGENDA**

**I. CALL-TO-MEETING AND ROLL CALL**

**II. CHAIR'S WELCOME AND ANNOUNCEMENTS**

**III. CONSENT AGENDA**

- 1) [Approval of meeting minutes from November 2, 2023](#)

**IV. ACTION ITEMS:**

- 1) [Recommend the Approval of the Western Oregon University Strategic Plan 2024-2030.](#)

**V. REPORTS & DISCUSSION ITEMS:**

- 1) [Internal Audit Update](#) | David Terry, CPA, CFE, CIA & Ryan Schnobrich CPA, CIA
  - a. [Vender Master File Review Project Report](#)
- 2) Discussion on the Needs of the Board and Identify the Ideal Characteristics of Potential Candidates to Fill the Vacancy of an At-Large Position on the Board of Trustees
- 3) Discussion of Recruitment Process for Potential Trustees
- 4) Board Statement Update and Compliance of SB 273 | Evan Sorce

**V. Announcements:**

- 1) Setting Next EGTC Meeting:

**VI. ADJOURNMENT**



**PUBLIC MEETING OF THE WOU BOARD'S  
EXECUTIVE, GOVERNANCE AND TRUSTEESHIP COMMITTEE (EGTC)  
Meeting No. 38  
November 2, 2023 | 1:00 pm – 3:00 pm**

**Draft Meeting Minutes**

**I. CALL-TO-MEETING AND ROLL CALL**

Chair Komp calls the meeting to order at 1:00pm and asks Secretary Sorce to call the roll.

The following Trustees are present: Trustee Jerry Ambris, Trustee Gayle Evans, Trustee Kari Nelsestuen, Chair Betty Komp.

The Follow Trustees were excused:  
Trustee Susan Castillo

Other Staff Present: President Jesse Peters, Evan Sorce, David Terry, Ryan Schnobrich

**II. CHAIR'S WELCOME AND ANNOUNCEMENTS**

Chair Betty Komp gave a warm welcomed everyone attending the meeting. Chair Komp then walked through the agenda. Asked President Peters to say a few words. President Peters welcomed everyone, spoke about Men's Soccer team doing wonderful and have a game this weekend.

**III. CONSENT AGENDA**

- 1) Approval of meeting minutes from July 11, 2023

Trustee Nelsestuen moves the approval of the July 11, 2023 meeting minutes and Trustee Ambris seconds the motion. There was no additional discussion. The motion passed unanimously.

**III. REPORTS & DISCUSSION ITEMS:**

- 1) Internal Audit Update | David Terry, CPA, CFE, CIA & Ryan Schnobrich CPA.  
CIA

Chair Komp introduced Mr. David Terry to start the update and asked him to introduce his colleague, Mr. Ryan Schnobrich. Mr Schnobrich comes to the Internal Audit Team from Southern Oregon University and will be a lead on some of the audit work for WOU. David presented the Internal Audit update presentation, which can be found in the November 2, 2023, EGTC Docket for review.

During the presentation, Chair Komp asked for more information on the difference between what the external auditors are looking for and what the internal auditors look at when auditing financial aid. Mr. Terry went into more detail about the differences. Mr. Schnobrich introduced himself a little more and mentioned that he would lead the Cleary Audit and start that project in 2024. Lastly, Mr. Terry walked through the update on internal audit standards. Trustee Evans thanked Mr. Terry and Mr. Schnobrich for the update and then asked about the flow of information<sup>2</sup> sharing after the reports are finalized. Mr. Terry responded that the applicable

administration will have access to the report as well as President Peters. They will then be shared with the EGTC. If there are findings, the final report will include management response and corrective actions to address findings within the report.

## 2) Debrief the WOU Board Retreat

Chair Komp asked Trustee Nelsestuen to lead this conversation about the board retreat. She reported that Board leadership had a debrief with the facilitator, who shared their notes with Board leadership. The notes are included in the November 2 EGTC Docket for review. Trustee Nelsestuen then asked the committee members a couple of debriefing questions regarding the retreat. The Committee had a long and robust discussion about the role of the Board. Then, it focused on the role of the Board, specifically around the development and implementation of the strategic plan that is currently being developed. After a long discussion, there was some understanding regarding the Board's desire to get opportunities to discuss and provide feedback on the strategic plan as well as get periodic updates on the implementation of the strategic plan. There was also a conversation about the desire for more opportunities for the Board to communicate with students, staff, and faculty who are doing the work on the ground.

## 3) Goals for the Board of Trustees for the 2023/2024

### a. Review/Update our Board Statements to Comply with SB 273

- i. Secretary Sorce presented updates to our Board Statements to comply with SB 273. Secretary Sorce walked through the recommendations and discussed them with the committee. The EGTC asked Secretary Sorce to develop a plan to prioritize updates based on need and bring a plan forward to the EGTC. Secretary Sorce mentioned that he put all the Board Statements in Google Sheets and shared them with the committee to start providing feedback and working on proposed changes.

## **V. ADJOURNMENT**

Chair Komp adjourned the meeting at 2:50pm.

# Education. Innovation. Community.

## Western Oregon University Strategic Plan 2024-2030

### Introduction

Strategic Plans in higher education have traditionally been lengthy documents that did two things. 1) They attempted to describe in great detail every possible goal of a university, and 2) They did it in way that few could understand. This led to jokes about 400-page plans sitting on shelves gathering dust. I set out to do something different this time.

As you can see in universities that are making successful moves, and as many successful corporations have shown us, the benefit of a strategic plan is to provide the philosophical framework that empowers individuals and units to develop and achieve goals. It should be short, focused, defining, and memorable.

This new plan is the culmination of hard work by many people on campus. We established a Strategic Plan Committee who led campus conversations, gathered feedback with a survey, and consulted with faculty, students, and staff. The University Council and Senior Leadership also provided direct input. The planning began by evaluating the previous strategic plan, Forward Together, paying close attention to its merits and weaknesses. The goal then became to draft a new plan that builds on the philosophies in the old plan but moves Western Oregon University in new directions.

A strategic plan is both aspirational and inspirational. It sets a tone and provides a clear framework that the university can use to set objectives and make decisions. This plan explains who we are as an institution as well as who we plan to be. It points us clearly and directly into a future that is student-centered and built upon clear core values. And it explains to everyone that Western Oregon University is an institution built on **Education, Innovation, and Community**.

## Mission Statement

At Western Oregon University, our mission is to maintain dynamic and personalized living, learning, and work environments where individuals experience a deep sense of belonging and empowerment.

## Vision Statement

Our vision is for Western Oregon University to be a model of intentional inclusion and accessibility. We strive to empower students to meaningfully impact our local community and beyond. Grounded in the principles of a public liberal arts education, we will enhance career and social mobility through a focus on critical thinking and communication skills essential for successfully navigating the complexities of life.

## Core Values

*Our core values are the fundamental beliefs and guiding principles that shape the identity, culture, and actions of Western Oregon University. They serve as a foundation for planning, implementing, and evaluating initiatives. Decisions, interactions, and priorities will reflect the deeply held convictions that contribute to the ethical framework and mission of the institution.*

## Centering Students

At Western Oregon University, we put students first in everything we do. We are dedicated to enhancing the student experience by continually developing and improving the ways we work. Our decision-making is guided by a commitment to meeting student needs through innovation, inspiration, and data. We actively seek student input, ensuring their voices are heard and considered.

## Embracing Diversity

Western Oregon University values the unique qualities and differences that make our community strong. Diversity is a positive, transformational force, and we work to foster meaningful inclusion, empathy, open communication, and a willingness to understand and learn from each other.

## Fostering Accessibility

At Western Oregon University, we work to ensure inclusivity and eliminate barriers in our physical, social, and learning environments. We are dedicated to continuous improvement so that every member of our community can engage, contribute, and succeed.

## Valuing Community

Western Oregon University is dedicated to building strong communities within the university, as well as in the state, in the region, and beyond. We proactively cultivate relationships and partnerships to enhance the education of our students and serve the needs of the community. Our institution is committed to civic engagement, economic development, and cultural enrichment.

## Goals, Metrics, and Outcomes

### 1) Institutional Sustainability

*Institutional sustainability refers to the ability of an educational institution to operate in a manner that meets the needs of the present without compromising the ability of future generations to meet their own needs. It involves a commitment to environmental, social, and economic practices that contribute to long-term viability and resilience.*

**Goal:** Enhance the financial stability and sustainability of the institution through strategic financial planning, responsible resource allocation, and innovative revenue-generation initiatives, ensuring long-term resilience and success.

**Metric(s):** Progress will be tracked using current fiscal reporting tools

**Outcomes:**

- Western adapts to changes in the higher education landscape and implements strategic responses to emerging trends.
- Streamlined and efficient processes enhance teaching methods, research capabilities, resource allocation, and administrative efficiency.

### 2) Transformational Diversity

*Transformational diversity focuses on developing diverse and inclusive philosophies and practices. Rather than simply looking at numbers and data metrics as the defining measurements for a diverse environment, transformational diversity demands thoughtful and engaged actions that result in positive change.*

**Goal:** Foster an inclusive educational, living, and work environments at Western Oregon University, ensuring that students and employees feel a profound sense of belonging and have abundant opportunities for growth and success.

**Metric(s):** Campus Climate Survey; employee retention and advancement/promotion data; student retention and persistence data; NSSE Engagement Indicators; Equity Action Plan outcomes

**Outcomes:**

- The overall quality and richness of the Western community is enhanced by diverse and talented students and employees.
  - Western Establishes positive, collaborative, and accessible learning and working environments that promote creativity, innovation, and effective teamwork.
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### 3) Student Success

*Student success is a comprehensive and multifaceted concept that encompasses various aspects of a student's educational journey and overall development. It goes beyond traditional measures of academic achievement and includes personal growth, well-being, and readiness for future endeavors. Student success is a dynamic and evolving process that recognizes and celebrates the diverse pathways and aspirations of individuals within the educational community.*

**Goal:** Enhance degree completion rates for undergraduate, graduate, and transfer students, through strategic initiatives focused on academic support, streamlined pathways, and the necessary services that ensure timely and successful attainment of their educational goals.

**Metric(s):** Baselines will be calculated for all groups in aggregate and will be disaggregated by subgroups for: 4- and 6-year graduation rates of first-year cohorts and transfer; 2- and 4-year graduation rates for community college transfer; completion rates for graduate students

**Outcomes:**

- Students are supported in a way that fosters satisfaction, belonging, engagement, and empowerment.
  - Students complete their educational goals and develop a lifelong learning mindset, preparing them for continuous education and professional development throughout their careers.
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## 4) Community Strength

*A university is built around a variety of communities. Classrooms, departments, units, divisions, teams, interdepartmental work groups, etc. are made up of individuals who must navigate multiple voices and perspectives. Strengthening the ways that communities interact, paying close attention to accessibility, collaboration, and communication allows employees and students alike to grow in positive ways.*

**Goal:** Cultivate and maintain a culture at Western Oregon University that embraces collaboration, connection, and communication as we build meaningful partnerships with internal and external communities, while enriching the educational experience of our students.

**Metric(s):** Progress could be monitored using an [organizational learning rubric](#). NSSE data on High Impact Practices, specifically service learning and internships or field work and Engagement Indicators, specifically Campus Environment; partnerships with local businesses, organizations, schools, and government entities

**Outcomes:**

- Students feel connected to a larger community and see the real-world relevance of their academic pursuits.
- The Western Oregon University community and community partners work with a sense of shared interest and mutual benefit, navigating external factors, such as economic shifts, policy changes, and global events, with a proactive and adaptive approach.



# Internal Audit Update

**Presented by David Terry, CPA, CFE, CIA**  
**February 2024**

# Objectives of Update

- 1) Update on Internal Audit Plan.
- 2) Update on *New* Internal Audit Standards.
- 3) Open discussion.

# Objective 1 – Update on Internal Audit Plan

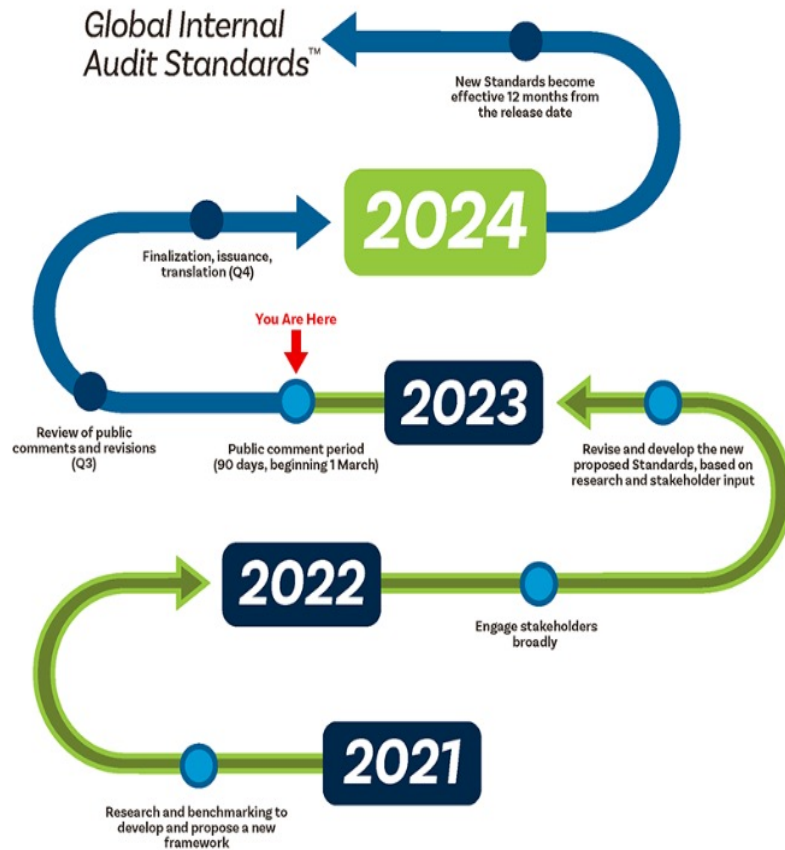
- 1) **Vendor Master File Project** – Project completed.
- 2) **Financial Aid Agreed Upon Procedures** - ~60% complete at this time. Team working through data analysis and testing. Project should be completed by next committee meeting.
- 3) **Clery Act Compliance Review** - ~15% complete at this time. Team has held kick-off meeting with management and initial data requests have been made.

# Objective 1 – Update on Internal Audit Plan

- 1) New Internal Audit Team Member – Ryan Schnobrich** has joined the internal audit team and will be working on WOU's projects and is a new resource for WOU management and the audit committee to utilize for your internal audit service needs.



# Objective 2 – Update on Internal Audit Standards



- **2021** – Research and benchmarking to develop and propose a new framework. **COMPLETED**
- **2022** – Engage stakeholders broadly. Revise and develop the new proposed *Standards*, based on research and stakeholder input. **COMPLETED.**
- **January – March 2023** – Translate the public comment draft. (**In Progress**)
- **March 1- May 30** – Expose the proposed draft of the new *Standards* for public comment. (**In Progress**)
- **Late 2023** – Release the new *Standards*.
- **2023** – Refresh the IPPF Guidance (Practice Guides) and relevant products.
- **Late 2024** – New *Standards* become effective 12 (TBD) months from the release date.

## Objective 2 – Update on Internal Audit Standards

- New standards for the Institute of Internal Auditors recently released on January 9, 2024.
- Internal audit functions have 1 year from the standards release date to implement the new standards.
- Internal Audit will be undergoing a 5 year peer review for an assessment of our compliance with audit standards in Summer of 2024 and those results will be shared with the committee once received. The next peer review after the Summer 2024 review will likely be performed in accordance with the new standards.
- WOU management and audit committee members will receive a copy of my department's 5 year peer review.

# Questions?

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# Vendor Master File Review Project

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## Background

The Internal Audit Office (IAO) conducted a consulting review of Western Oregon University's (WOU) vendor master file as part of the planned work hours<sup>1</sup> listed in the fiscal year 2023-24 Internal Audit Plan. Periodically reviewing and conducting monitoring tests of the vendor master file is a best practice within industry<sup>2</sup> and was one of the primary reasons this consulting project was recommended to be conducted.

## Overview of Scope & Objectives of the Consulting Review

The scope of this consulting review focused primarily on reviewing WOU active employees as of January 2023 to Oregon and Washington's public business registry databases<sup>3</sup> to help determine if any WOU employees may have or be involved in a private business that may create a conflict of interest with their position at WOU. If IAO found that an active employee had one or more private businesses from reviewing these public databases, then IAO checked WOU's vendor master file for fiscal years 2020 and 2021<sup>4</sup> to determine if WOU had conducted business with any of these private businesses during that period of time. The results of these procedures were provided to applicable WOU management for follow-up to help ensure that:

- 1) WOU's policies and procedures were being adhered to for disclosure of potential or actual conflicts of interest that employees may or do have; and
- 2) Proper segregation of duties are in place to mitigate and actual conflicts of interest that may exist with current WOU employees.

## Limitations of Review

IAO denoted the following limitations in this review that management should be aware of as they review the results:

- Active employees may have a private business that is registered in a state that IAO did not check. **Figure 1** later on in this report was compiled to help show where active WOU employees as of January 2023 listed as their primary location in Banner;
- An active employee may have an actual conflict of interest with a direct family member or relative that owns a private business that IAO is not aware of;
- A registered agent may have been utilized for a private business. If this situation was present, then the analytical and testing procedures may not identify this type of business setup and structure; and
- A conflict of interest may have occurred outside the timeframe reviewed, which may not have been identified by the procedures performed.

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<sup>1</sup> WOU Internal Audit plan approved at <https://wou.edu/board/files/2023/05/WOU-EGTC-May-25-20023-Meeting-Docket-Mtg.-No.-36-2023-2.pdf>.

<sup>2</sup> See <https://www.sanantonio.gov/Portals/0/Files/CityAuditor/Reports/FY2020/AU19-013.pdf> and <https://www.unicef.org/auditandinvestigation/media/351/file/2018-OIAI-Audit-Report-on-Vendor-Master-Data-Mgmt-audit-report.pdf> for examples of vendor master file audits.

<sup>3</sup> These databases can be reviewed at [http://egov.sos.state.or.us/br/pkg\\_br\\_web\\_assoc\\_name\\_srch\\_main](http://egov.sos.state.or.us/br/pkg_br_web_assoc_name_srch_main) and <https://secure.dor.wa.gov/gteunauth/#1> respectively.

<sup>4</sup> IAO also reviewed FAIVNDH in Banner for all employees identified with businesses to help verify whether any financial transactions may have occurred through WOU with those businesses.



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## Consulting Review Methodology

IAO conformed with consulting guidance outlined in the *International Standards for the Professional Practice of Internal Auditing* propagated by the Institute of Internal Auditors (IIA Standards) for this consulting project and fieldwork was conducted during June 2023 through July 2023. Within the timeframe of the consulting project, IAO performed the following procedures:

- Analyzed active employee data extracted from Banner in January of 2023;
- Analyzed WOU's vendor master file data extracted from Banner for fiscal years 2020 and 2021;
- Utilized the Oregon and Washington Secretary of State public databases to search for registered businesses; and
- Communicated results with WOU management for follow-up and potential corrective action.

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## Results, Findings and Recommendations

IAO's review of the 685 active employees<sup>5</sup> identified 109, or ~15.9% of the population, that appeared to have or had<sup>6</sup> a private business registered in Oregon and/or Washington. Of those 109 employees, IAO identified 5 matches to the WOU vendor master file. 1 of the 5 matches was expected as it related to the Western Oregon University Foundation and Cara Groshong of WOU was listed as the primarily individual for the Western Oregon University Foundation, which aligned to how other university foundations are registered in Oregon from IAO's experience. For the remaining 4 matches, IAO denoted the following:

- 1 set of matches had no financial transactions in WOU's Banner system, but these businesses were rolled over into WOU's vendor master file from when WOU was apart of the Oregon University System. These were deemed false positives by IAO and WOU management indicated that they are currently working on a vendor review and update project in Banner that should address this issue and other items related to the vendor master file.
- 1 match was for food purchased that was processed through a personal reimbursement transaction. There was no business purpose, list of attendees, or business agenda for this transaction; therefore, IAO could not verify it complied with WOU standard operating procedures, and if the purchase was related to the WOU employee's private business.
- 1 match was for travel related expenses and a professional conference registration fee. From IAO's review, it appeared that the WOU employee in question had approximately half of a business trip paid for with WOU funds and the other half was agreed to be paid out of the employee's personal business funds. This travel expense transaction was \$592.36 and the conference registration cost was \$300.
- 1 match was for a personal reimbursement of \$59.99 to a WOU employee for an annual PDF expert license. The supporting receipt provided for the reimbursement indicated that the personal business of the spouse/significant other of this WOU employee appeared to pay for this subscription.

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<sup>5</sup> IAO also reviewed Oregon Revised Statute (ORS) 244 Statement of Economic Interest (SEI) forms for 2023 for Board of Trustee members of WOU as part of this review. No matches between the businesses listed on the SEI forms to WOU's vendor master file and/or procurement card transaction data was denoted from this review procedure.

<sup>6</sup> Internal auditors noted that some businesses had been dissolved, but they were registered in the past in these states.

**IAO recommends** WOU management should consider implementing a policy<sup>7</sup> or procedure that provides oversight and guidance on conflicts of interest and/or conflicts of commitment when WOU employees are involved in an outside business or employment situation and when those situations have to be formally disclosed to WOU management. In addition, training must be provided to WOU employees on this new policy or procedure to help ensure it will be effectively implemented. Lastly, **IAO recommends** that WOU management review the matches identified by IAO and take any needed corrective action deemed necessary to mitigate any actual or potential violations of ORS 244.

### **WOU Management's Response:**

The Business Office has placed priority on the items identified by IAO and has inactivated the accounts identified in the first listed item. As indicated by IAO, these accounts have been inactive since being rolled over into WOU's vendor master file from when WOU was apart of the Oregon University System. Based on WOU's own procedures, these accounts should have been inactivated as part of its routine assessment of the vendor master file. A process for annual review and removal of inactive vendors has been established. Prior to the IAO's Vendor Master File Review Project, the Business office had already started work on a vendor review and update project in Banner. The completion date for the project is June 30, 2024 and will feed directly into our routine assessment.

The remaining three items listed were reviewed and no corrective actions were deemed necessary.

Furthermore, applicable WOU management will meet with Human Resources and other executive management to discuss the recommendation on a policy creation and implementation.

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## **Acknowledgements**

The courtesies and cooperation extended by WOU management and employees during the course of this consulting review project were commendable and sincerely appreciated.

Internal Audit Office

A handwritten signature in blue ink, appearing to read 'David Terry', with a long horizontal flourish extending to the right.

David Terry, CPA, CFE, CIA  
Director of Internal Audit  
Portland State University

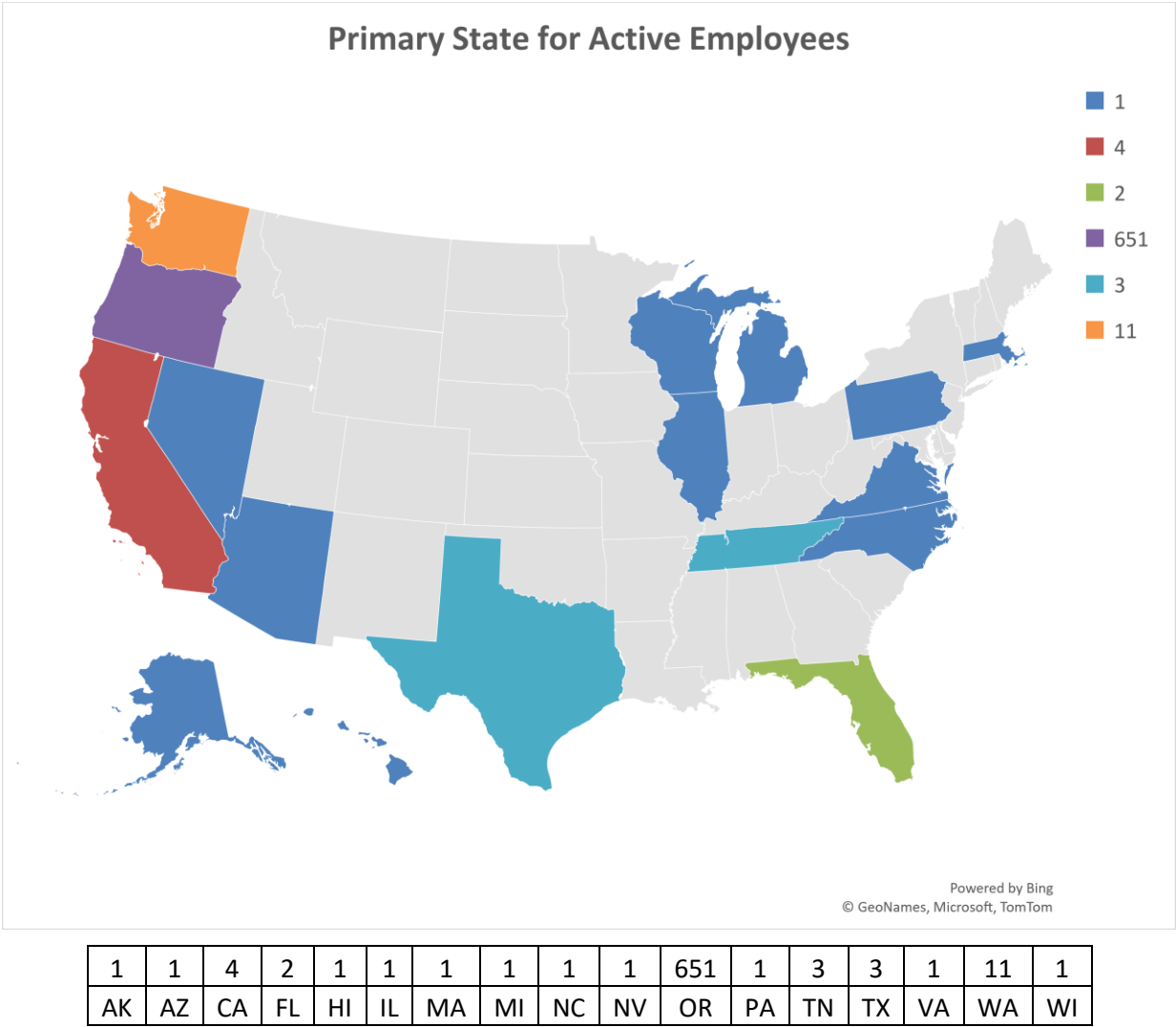
August 24, 2023

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<sup>7</sup> IAO provided applicable WOU management with a listing of 10 other higher education institutions that have policies and procedures on conflicts of interest, conflict of commitment, and/or outside employment situations to help WOU management in their review and response to this IAO recommendation.

Figure 1



Source: Figure 1 compiled by IAO based off employee primary addresses listed in SPAIDEN as of January 2023.

To help readers further understand the employment classifications of the data presented in Figure 1 above, IAO compiled **Figure 2** to help define the employment classifications for those employees with addresses outside of Oregon.

**Figure 2**

<b>Employee Classification</b>	<b>Total Count</b>
SEIU Salaried 1.0 FTE	1
Unclassified Non-Teach 12 mo. . 5FTE	4
Unclassified Teach/Res 9-11 mo. < .5 FTE <sup>8</sup>	18
Unclassified Wage Appointment Hourly <sup>9</sup>	11
<b>Total # of Employees Out of State</b>	<b>34 Total</b>

**Source: Figure 2** compiled by IAO based off review of Banner information recorded in SPAIDEN and NBAJOBS as of August 4, 2023.

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<sup>8</sup> The majority of these positions were non-tenure track assistant professors and non-tenure track instructors.

<sup>9</sup> The majority of these positions were hourly transcribers and interpreters.