

February 22, 2018

TO: The Board of Trustees of the University of Oregon

FR: Angela Wilhelms, Secretary

RE: Notice of Executive and Audit Committee Meeting

The Executive and Audit Committee of the Board of Trustees of the University of Oregon will hold a public meeting on the date and at the location set forth below. Subjects of the meeting will include: the quarterly audit report and institutional information technology.

The meeting will occur as follows:

Thursday, March 1, 2018 at 2:00 p.m.

Ford Alumni Center, Giustina Ballroom

The meeting will be webcast, with a link available at www.trustees.uoregon.edu/meetings.

The Ford Alumni Center is located at 1720 East 13th Avenue, Eugene, Oregon. If special accommodations are required, please contact Jennifer LaBelle at (541) 346-3166 at least 72 hours in advance.

**Board of Trustees | Executive and Audit Committee
Public Meeting | March 1, 2018, 2:00 p.m.
Ford Alumni Center | Giustina Ballroom**

Convene

- Call to order, roll call
- Approval of December 2017 minutes (two sets) (Action)

- 1. Quarterly Audit Report:** Trisha Burnett, Chief Auditor
- 2. Enterprise Risk Management:** Andre Le Duc, Associate Vice President and Chief Resiliency Officer
- 3. University of Oregon Police Department – Overview and Updates:** Matt Carmichael, Chief of Police

Meeting Adjourns

Agenda Item #1

Quarterly Audit Report

The quarterly audit report will be provided at the meeting.

Agenda Item #2

Enterprise Risk Management

Strategic Enterprise Risk Management and Compliance Committee Update

Date: March 1, 2018

Board of Trustees of the University of Oregon

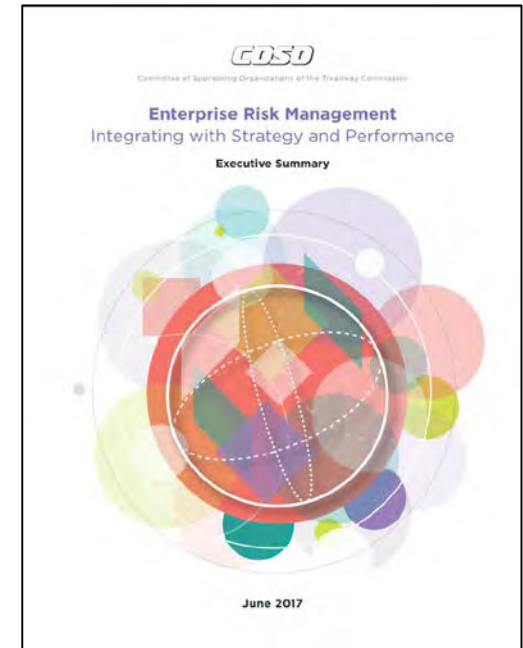
Presented by:

André Le Duc, Chief Resilience Officer and
Associate Vice President, Safety and Risk Services

Enterprise Risk Management (ERM) defined

"The culture, capabilities, and practices, integrated with strategy-setting and performance, that organizations rely on to manage risk in creating, preserving, and realizing value."

...Over the longer term, enterprise risk management can also enhance enterprise resilience-the ability to anticipate and respond to change."



Committee of Sponsoring
Organizations of the Treadway
Commission (COSO)

Enterprise Risk Management: A Focused Framework



“By establishing ERM as a regularly repeated business process, leadership avoids the trap of trying to achieve a single “perfect” process or result, which can take years and sink the most promising ERM effort.”

- Association of Governing Boards

Source: Enterprise Risk Management Integrating with Strategy and Performance, Committee of Sponsoring Organizations of the Treadway Commission (COSO) June, 2017

Benefits of the ERM Framework Approach

- Identifies and allows leadership to manage and monitor multiple cross-enterprise vulnerabilities and risk exposures
- Reduces operational surprises and losses
- Improves decision-making, adaptive capacities, and risk response
- Aligns strategy with operational capacity and risk appetite
- Improves the use of limited resources - both human and financial
- Enhances organizational resilience



Strategic Enterprise Risk Management and Compliance Committee

Committee charge, membership, and structure



Strategic Enterprise Risk Management and Compliance Committee (SERMC)

Committee charge from the President:

1. Develop tools and processes to actively identify, evaluate, and manage university risks
2. Ensure that systems and processes are in place to provide accountability for compliance with University's legal and policy obligations
3. Encourage communications, problem-solving, and collaboration across divisions, units, and departments

Committee Members

- Vice President, Finance and Administration and Chief Financial Officer
- Vice President for Research and Innovation
- Vice President for Student Life
- Vice President for Student Services and Enrollment Management
- Vice President for University Communications
- Vice President for University Advancement
- Vice President and General Counsel to the University
- Vice President for Equity and Inclusion
- Executive Vice Provost for Operations
- Vice Provost for Information Services and Chief Information Officer
- Chief Resilience Officer and Associate Vice President for Safety and Risk Services
- Chief Human Resources Officer and Associate Vice President for Human Resources
- Chief Auditor
- Associate Vice President for Business Affairs and University Controller
- Senior Associate Vice President for Research and Innovation
- Director of Intercollegiate Athletics

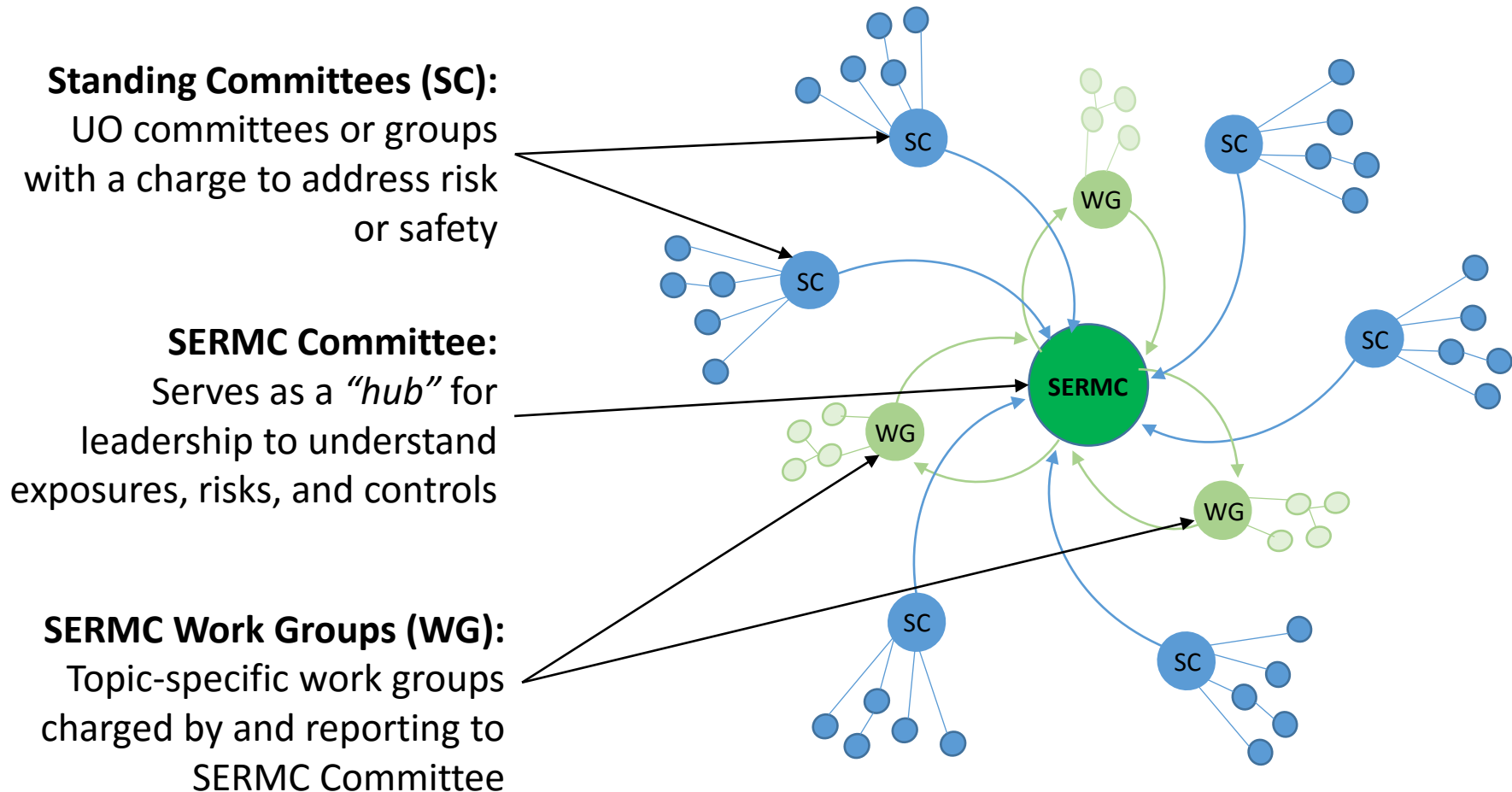


Committee Operational Process

- Committee meets monthly to review:
 - Strategic, enterprise-wide, and cross-unit risks
 - Compliance, operational, and financial risks
- Brief each other on emerging exposures and/or mitigation efforts
- Receive updates from standing committees and work groups
- Prioritize risk exposures, discuss risk tolerance, and actively monitor the University's risk exposure matrix

SERMC Network Approach

Link, Align, and Leverage



Examples of Standing Committees and Teams connected to SERMC

- Behavioral Evaluation and Threat Assessment Team
- Campus Vulnerability Assessment Team
- Data Security Incident Response Team
- Incident Management Team
- Integrated Claims Management Team
- Institutional Biosafety Committee
- Laboratory Safety Committee
- Laser Safety Committee
- Radiation Safety Committee
- Safety Advisory Committee

Examples of current cross-disciplinary SERMC Work Groups

- Export Control Laws and Compliance
- Electronic System for Research Compliance and Administration
- Business Operations Abroad
- Technology Accessibility
- Special Events on Campus
- Sidewalk Hazard (e.g., slips, trips, and falls) Mitigation



Strategic Doing // Cycle



Source: <http://strategicdoing.net/>

The Leadership Connection

A key aspect of our integrated approach is the establishment of **clear lines of communication and coordination** between leadership, management and units charged with responding to, identifying, tracking/monitoring, and mitigating potential emergencies, risks or incidents.

The goal to be proactive not reactive.

Leadership Connection Example During an Emergency Response:

During an emergency, (*e.g., power failure, infectious disease outbreak, etc.*)

- University Incident Management Team reports directly to the President.
- Incident Management Team briefs the President and the Policy Group at least daily.
- The Policy Group provides direction and advice to the President in making strategic policy decisions during an emergency.



Leadership Connection Example During Non-emergency Response:

There are a number of offices and units with reporting, monitoring, and response responsibilities. Below are some examples:

- Police Department
- Safety and Risk Services
- Finance and Administration
- Student Life
- Title IX Office
- General Counsel
- Internal Audit
- Ombuds Program

These groups work closely and meet regularly to ensure issues that are reported/identified are being addressed at the appropriate level and that leadership is informed.

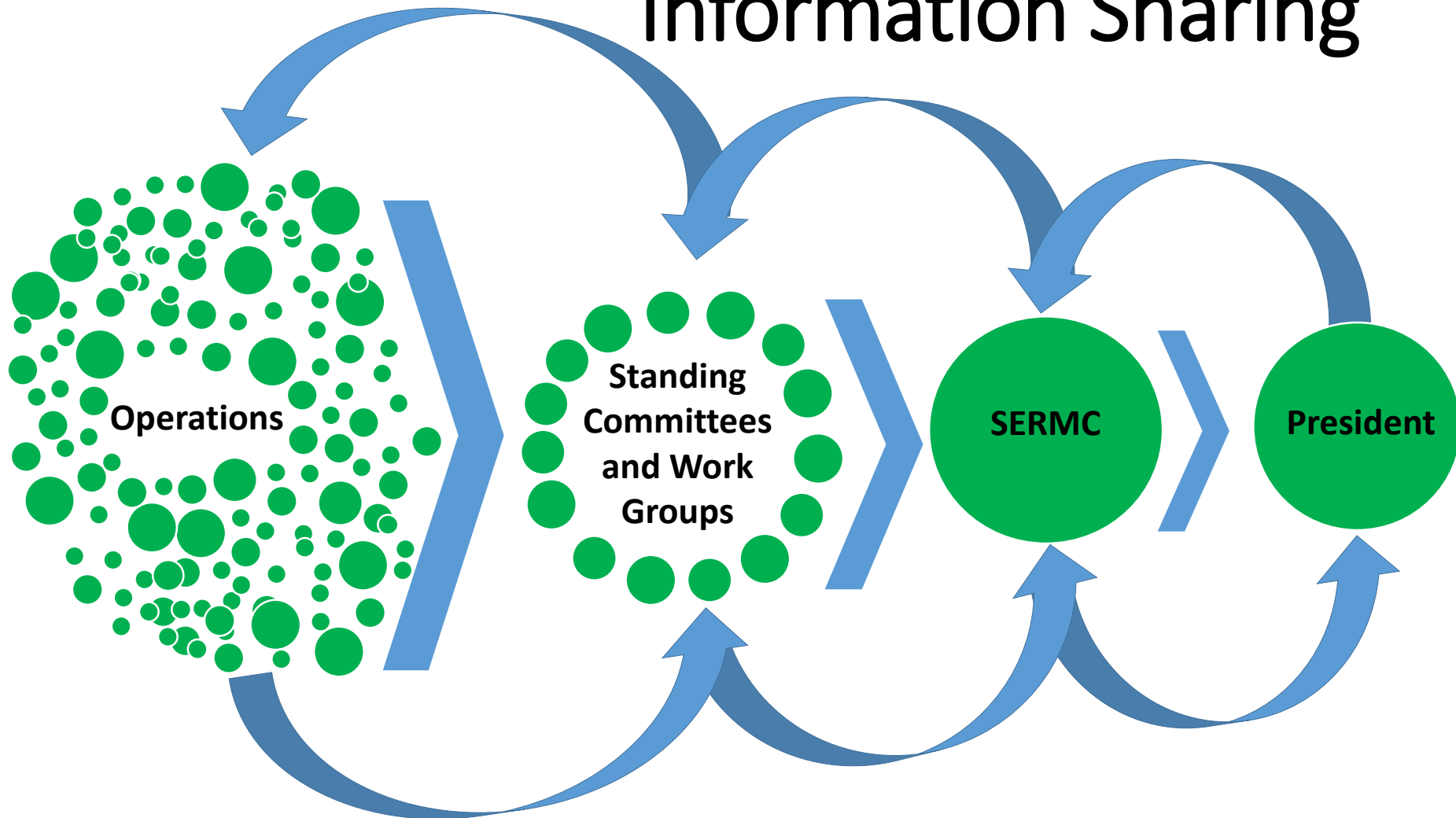


Vulnerability, Exposure, and Risk Assessment Overview

“Every choice we make in the pursuit of objectives has its risks. From day-to-day operational decisions to the fundamental trade-offs in the boardroom, dealing with risk in these choices is a part of decision-making.”

Committee of Sponsoring Organizations of the Treadway Commission (COSO)
Enterprise Risk Management Integrating with Strategy and Performance, June, 2017

Risk Exposure Assessment and Information Sharing



Establishing the University Risk Exposure Matrix

Risk Exposure Overview

- Exposure Description
- Potential Risk Impact
- Risk Likelihood
- Relative Risk Exposure Score
- Residual Risk Exposure Score

Risk Exposure Tracking

- Risk Steward (or owner)
- Accountable Parties
- Campus Partners
- Controls / Mitigation Summary
- Controls / Mitigation Effectiveness Rating
- Residual Risk Rating



*The risk exposure cards provide the University's management and leadership a summary of a potential exposure, condition, or event that could impact the University's **mission** or **strategic objectives**.*

The cards also identify who is responsible for monitoring the potential exposure, as well as any policies, plans, and mitigation actions intended to reduce the University's exposure to the condition or event.

UO Risk Exposure Card

Row 32

Risks and Sub-Risks

Communicable Diseases Outbreak

Description

Communicable diseases can be transmitted in a variety of ways including inhalation of infectious droplets or airborne infectious organisms produced by coughing, direct exposure to infectious organisms, secretions through close personal contact with an infected person, ingestion of contaminated foods, and contact with inanimate objects contaminated by infectious materials.

Potential Exposures

Potential exposures include: illness and fatalities to faculty, staff and students; administrative, teaching and research disruption due to staff shortages; and travel bans internationally due to illness abroad with the potential to impact university business

Risk Impact

Moderate

Risk Likelihood

Moderate

Risk Rating



Mitigation Effectiveness Rating

2

Risk Exposure Rating

Periodic Monitoring

UO Risk Owner

Chief Resilience Officer

Accountable Department / Position

UO Incident Management Team
Environmental Health & Safety
Emergency Management and Continuity Health Center

Campus Partners

Registrar's Office,
University Communications,
Student Life

Mitigation Summary

2016 - Updated meningitis response protocol based on 2015-2016 outbreak 2016 - Established a model program for mass vaccine distribution during meningitis outbreak that can be applied to other types of outbreaks 2016 - Recommend that incoming students receive the Meningitis B vaccination

Relevant Plan, Policies and Procedures

Emergency Operations Plan
Communicable Disease Plan



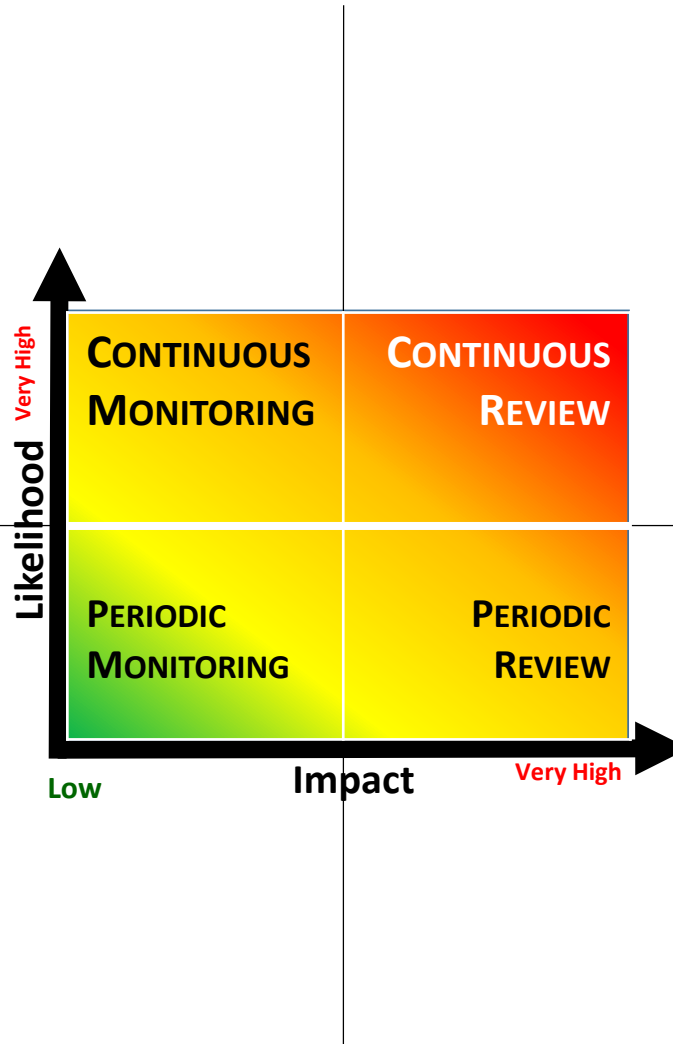
2018 Risk Exposure Map

The UO Risk Exposure Map is based on the data detailed in the Risk Exposure Matrix and provides a high-level summary of conditions, events or exposures that could have an impact on the University's mission and strategic objectives.

Quadrant Risk Exposure Map Defined

Conditions or risk exposures that have a Very High / High likelihood of occurring but have the potential for a Moderate / Low impact on the University's ability to achieve its mission and require **Continuous Monitoring** and actions to reduce exposures.

Conditions or risk exposures that have the a Low / Moderate likelihood and potential to have a Low / Moderate impact on the University's ability to achieve its mission and require **Periodic Monitoring** and actions to reduce exposures.



Conditions or risk exposures that have a High / Very High likelihood of occurring and also have potential High / Very High impact on the University's ability to achieve its mission and require **Continuous Review** and actions in reduce exposures.

Conditions or risk exposures that have a Low / Moderate likelihood of occurring but the potential for a High / Very High impact on the University's ability to achieve its mission and require **Periodic Review** and actions to reduce exposures.



CONTINUOUS MONITORING

Examples of Exposures, Conditions or Events:

- *Prevention and Response – Sexual Assault*
- *Regulatory Compliance – Research*
- *Civil Unrest – Demonstrations and Protests on campus*
- *Student Admissions and Retention*
- *Federal Funding Dependence*

CONTINUOUS REVIEW

Top Exposures, Conditions or Events

- *Tuition Dependency*
- *Facilities and Infrastructure*
- *Information Technology Infrastructure*
- *Cyber Security*

PERIODIC MONITORING

Examples of Exposures, Conditions or Events:

- *Int'l Programs – Safety and Support*
- *Athletics Regulatory Compliance*
- *External Relations – Community, State, and Donor Relations*
- *Prevention and Response – Communicable Diseases Outbreak*
- *Building Safety and Security*

PERIODIC REVIEW

Examples of Exposures, Conditions or Events:

- *Response and Recovery – Earthquake*
- *Research and Lab Safety*
- *Academic Quality*
- *Emergency Response Plans*
- *Crisis Communications Plan*



Questions

Agenda Item #2

UOPD Overview

Chief Carmichael joined the University of Oregon Police Department in September 2016, after 31 years of experience as a police officer in the State of California. Chief Carmichael has received all California Peace Officer Standards and Training (POST) certifications to include the highest level Executive certificate. Chief Carmichael holds a Bachelor of Science degree in criminal justice administration and has attended an extensive amount of law enforcement related training throughout his career. Chief Carmichael is a certified law enforcement officer in the states of Oregon and California.



Chief Carmichael has law enforcement experience in both higher education and municipal policing with various assignments, including but not limited to:

- Chief of Police experience in both California and Oregon
- Police Lieutenant at a major university in California
- Police Sergeant both in patrol and investigations, municipality in California
- Police officer and police detective, municipality in California
- Other law enforcement management/supervisory experience includes
 - Police Traffic Unit
 - Police K9
 - Field Training Program Coordination
 - Property and Evidence
 - Reserve police office program coordinator
 - Crisis response team
 - Outreach
 - Hospital security

Chief Carmichael has received various commendations during his career, include but not limited to:

- Special Recognition, The Contra Costa County, California CALID/RAN BOARD
- Police Officer of the Year Award, City of Pinole, California Police Department

- Certificate of Appreciation, United States Marshall's Service
- Commendation, United States Attorney District of Wyoming
- California Senator Certificate of Recognition
- Award of Merit, California College and University Police Chiefs Association
- Certificate of Appreciation, California State Juvenile Officer's Association
- Award of Distinction, California Peace Officers Association (CPOA)
- Award of Distinction, California College and University Police Chiefs Association
- Service Excellence Award, Office of Administration University of California, Davis
- Calvin E. Handy Leadership Award
- Letter of Appreciation, United States Secret Service
- David H. Lord Award for Community Service, National Association of College Auxiliary Services
- Disability Awareness Achievement Team Award, California College and University Police Chiefs Association

Chief Carmichael has acted as a leader in the areas of community outreach by demonstrating through his actions his true commitment to community policing. Such examples include one of the first police departments in the United States to have a department policy focusing solely on "preferred names". This formal policy established procedures that helped to create mutual understanding, prevent discrimination and conflict, and ensure the appropriate police treatment of all community members who choose to use a preferred name.

Chief Carmichael implemented a police cadet academy to address the absolute lack of diversity in the candidate pool for the position of police officer. Through the solid commitment of his peer Officer Ray Holguin this program continues today and is responsible for providing highly educated and diverse candidates for the position of police officer throughout the State of California.

<https://youtu.be/1p5s0mJi4WA>

Chief Carmichael developed a non-traditional police officer interview process with an all community based interview panel ensuring that prospective police officer candidates were interviewed through the lens of the community entrusting their service. Who better to select our next police officers than our own communities?

Chief Carmichael has been credited with implementing one of the first true police community oversight programs in campus policing. This unique program provides for independent police

oversight by the community and ensures a transparent process demystifying the police complaint process. This program is still in use today and serves as the example for other campus law enforcement agencies. Chief Carmichael is married to his wife Angelica and they have four children two of which are University of Oregon Students making University of Oregon Police Chief Carmichael a "Double Duck".

University of Oregon Police Department

Chief's update for Board of Trustees, winter 2018

Notable accomplishments 2016-17

Expanded student engagement

In 2016-17, UOPD focused on improving police/student relations through engagement to build trust, increase reporting and awareness, reduce crime and improve student safety experience. Action included assigning a liaison officer to residence halls with office hours in the Global Scholars Hall; a monthly “pizza with the chief” meeting for students to share ideas and concerns directly with Chief Carmichael; increased student hiring including student assistants to the chief who focus on peer engagement and marketing; emphasizing outreach to underserved groups; responding to student requests for safety training with “drop by” self-defense classes in the EMU; and making the Rape Aggression Defense self-defense program more accessible. UOPD also participated in welcoming international students through the American English Institute.

Extended community presence

Because the majority of our students live and socialize off-campus, UOPD has tried to increase its presence in the community to better serve students given the limitations of municipal services. UOPD has joined the Safe Party Patrol participation with Eugene Police to provide an educational and conduct-system option for student community residents, assigned a homeless liaison officer to spearhead a care-package distribution program with student and community groups, and regularly attended neighborhood and community agency meetings.

Major Projects 2017-18

Revamp vehicle fleet

In 2017-18, UOPD will use vehicles that are more fuel efficient, more useful in our campus geography, and more helpful in severe weather. Graphics, designed with help from UO students, will proudly display Duck colors and themes and create a connection with students that will help them recognize their police. A new funding approach will improve service while saving money, selling larger, less efficient older vehicles. A UOPD distinctive look will clearly show who we serve, and demonstrate UO community ownership of our department.

Add engagement/bomb-detection dog

UOPD is partnering with federal law enforcement, UO student government, and UO Intercollegiate Athletics to adopt, train and deploy a friendly-breed police dog that will specialize in explosive detection for building and event security, and community engagement. A UOPD officer has been selected as

the handler, and is currently in training with his black Lab mix, Onyx, who is from a national rescue organization in California. This program, funded in partnership with Intercollegiate Athletics, improves event and campus security while furthering community engagement goals.

Expand Safe Ride & Designated Driver Shuttle

In 2017-18, UOPD assumed professional management of the UO's long-standing Safe Ride and Designated Driver Shuttle programs that help students get home safely. These ride shuttle resources are still free to students, paid for by student fees. The programs will continue to be staffed and guided by UO students, but operated to expand service and utilization, and increase efficiency and reliability. UOPD operation of Safe Ride and DDS serves a major goal of improving student safety on and around campus and has increased student employment at UOPD to approximately 130 student employees. Since UOPD took over management of the programs, average rides per month have increased about 440 percent.

Implement police officer Greek liaison

In 2017-18, UOPD assigned a liaison to the UO Fraternity and Sorority Life chapters, and in 2018 UOPD will become the primary responding agency for law enforcement needs at recognized fraternities and sororities. This approach follows successful models at other universities, where campus police develop positive relationships with Greek organizations to help them become safer and prevent crime.

Create partnerships to improve student safety off-campus

In 2017-18, the UOPD Chief of Police established a quarterly work group of near-campus apartment complex managers and bar owners to discuss, assess, and act on safety issues for students related to those non-UO businesses. This new approach directly addresses key risk areas for students off-campus, which in turn directly affect student academic and campus experience. Outreach with student-dependent enterprises is a proven strategy for campus police agencies, and will improve UOPD's community engagement and promote safer situations for students away from campus property.

Launch national initiatives

UOPD, in partnership with the California Victim Compensation Board, the Oregon Attorney General's Office, and the U.S. Department of Justice co-sponsored a national conference at the UO in September 2017, “Leave No Victim Behind.” More than 250 law enforcement, victim advocate, and criminal justice professionals from more than 20 states attended. More than 50 presenters focused on responding to victims of mass violence

and finding ways to better help underserved communities recover from these incidents. In 2018 UOPD will host a third conference in this series with an anticipated 400 attendees again focusing on best practices for serving victims of violent crimes, hate crimes and human trafficking. The conferences bring together students from the UO and local community members. UOPD is also developing a law enforcement leadership program that launches spring 2018, with two northern California partner agencies for community caring and crime prevention, promoting humanity and community in policing through an immersive experience. UOPD also organizes a now-annual conference for Pacific 12 Conference chiefs of police, and an ongoing association for sharing best practices in western U.S. campus safety.

Adopt new tools

UOPD officers will soon use Tasers, a standard electronic control device for law enforcement that is less lethal than firearms, and patrol rifles, another standard in U.S. law enforcement that allows for better, more accurate response in active threat situations. UOPD will have a program of officer training and proficiency, including judging appropriate use or non-use, that meets a higher standard than state requirements, or those of any peer departments. Tasers would be carried by officers on duty; patrol rifles would be secured in police vehicles or facilities and used only as needed. While UOPD has used body-worn cameras for several years, the department has received a federal grant to purchase new cameras that will mesh seamlessly with the department's other devices and data-retention systems, and ensure all officers are properly outfitted and compliant with department policy.

Tool adoption details: patrol rifles

UOPD began the implementation of a patrol rifle program in 2017, and full adoption is expected in spring 2018. These tools are a standard necessity in modern U.S. law enforcement for several reasons:

- Accuracy and range: Handguns simply do not have the accuracy and range of rifles. A properly trained officer can use a rifle at the same distances as a handgun, but also can use it from 50 to 200 yards if necessary, with great accuracy. Accuracy and range can be critical in an active threat incident, whether an assailant attempting to harm many people has a gun, knife or other weapon, or a vehicle.
- Increased ammunition capacity: The patrol rifle gives officers in the field an increased ammunition capacity when compared to other firearms.
- Penetrate body armor: Unfortunately there have been several historical examples of criminals wearing body armor. Most soft body armor is not designed to stop rifle ammunition, so a rifle gives the responding officer a better tool to end an incident when an assailant wears body armor.

Department policy clearly defines when patrol rifles can be used and specifically can only be utilized by those officers who demonstrate that they have met all qualifications. Patrol rifles are secured in police vehicles or facilities when not in use. All training will be provided by certified instructors.

UOPD currently complies with the Oregon Department of Public Safety Standards and Training (DPSST) training requirements for firearms and use of force. UOPD continues to exceed the minimum standard of eight use of force training hours annually by providing refresher firearms training. The qualification program for the patrol rifle will be consistent with DPSST standards. Lastly, UOPD will ensure that the deployment of all weapons and tools meet standards of the Oregon Accreditation Alliance, with which UOPD is in the process of obtaining over-all department accreditation. Alliance information can be found at http://www.oracall.org/docs/standards_manual_2016.pdf

Tool adoption details: Tasers

The UOPD currently relies solely on a baton or pepper spray for less-lethal or intermediate use of force. The implementation of an electronic control device (widely known by the Taser brand) is intended to provide officers with what is considered a less-lethal tool for solving specific problems. This device, when used properly, reduces the risk of injury to a subject caused by an impact weapon such as a baton. Unlike the effects of pepper spray, the electronic control devices provide officers the ability to subdue or restrain an individual from a safe distance, which also reduces the chances of officer injury.

Crucially, there have been instances beyond the UO campus of authorized use of deadly force that could have been resolved with a lesser amount of force such as the electronic control device. These unfortunate incidents include ones on other college campuses where individuals with mental health or substance abuse issues posed a deadly threat to the public and police, but police only had a lethal response available. UOPD officers must be prepared for any scenario and have use-of-force options available to them other than lethal force.

The electronic control devices will be deployed in conjunction with body-worn cameras that automatically activate once the device is activated. This audio/video recording will capture data prior to, during, and after the deployment of the device. Consistent with all department tools, only those officers who have been trained and qualified will be allowed to carry the electronic control device. Training will be provided by a certified department trainer and all Taser uses will be in accordance with department policy and the Oregon Accreditation Alliance standards. As an example and consistent with the prescriptions laid out by the Police Executive Research Forum, UOPD will only use electronic control devices on suspects who are actively resisting or posing an active threat. Policy and training plans are complete. Implementation began in 2017 to be completed before summer 2018.

Tool-adoption details: body-worn cameras

UOPD has received a \$49,000 grant from the federal Department of Justice to purchase and deploy body-worn cameras. UOPD has used body cameras for several years, but only a variety of trial models with extensive coordination required to ensure patrol officers always had functional devices. The new program, to be implemented through 2018, will mesh seamlessly with the department's other devices and data-retention systems, and ensure all officers are properly outfitted and compliant with department policy.

UOPD Update



University of Oregon Police Department

police.uoregon.edu | 541-346-2919 | 9-1-1

Your presenters

Your presenters

- ⊠ Matt Carmichael, Chief of Police
- ⊠ Mandi Jasmin, Student Assistant to the Chief
- ⊠ Kylan Carlson, Student Assistant to the Chief
- ⊠ Maria Mbodj, Student Assistant to the Chief



Accomplishments in 2016-17

Expanded student engagement

- ❖ Housing liaison officer with residence hall hours
- ❖ Monthly "Pizza with the Chief"
- ❖ More student employees including student assistants to the chief
- ❖ Emphasized outreach to underserved groups
- ❖ More accessible self-defense programs
- ❖ Higher visibility to international students



Accomplishments in 2016-17

Extended community presence

- ❖ Joined Eugene Police on Safe Party Patrol
- ❖ Created homeless liaison officer and care package distribution
- ❖ Partnered with neighborhood groups and agencies



Major projects for 2017-18

Revamp vehicles and uniform look

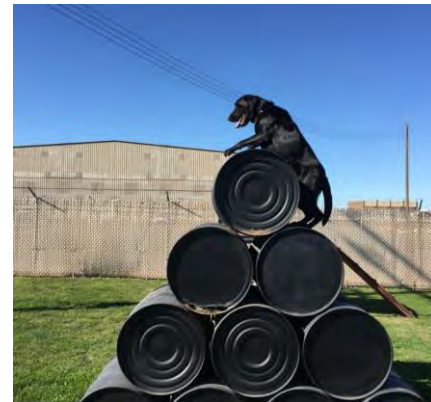
- ⦿ Fuel-efficient, all-weather patrol vehicles
- ⦿ Liquidate larger, less-efficient vehicles
- ⦿ New vehicle graphics clearly project UO, reflect service to and ownership by students
- ⦿ Uniforms will accent UO colors and differentiate from other law enforcement



Major projects for 2017-18

Add engagement/bomb-detection dog

- ❖ Program partners with federal law enforcement, UO Intercollegiate Athletics, UO students
- ❖ Explosive detection for building and event security
- ❖ Emphasize approachable, student-focused engagement
- ❖ Friendly rescue dog named Onyx



Major projects for 2017-18

Expand safe student rides home

- ❖ UOPD took over management of Safe Ride and Designated Driver Shuttle for 2017-18
- ❖ Added trial Campus Shuttle to augment scheduled ride services
- ❖ Aiming to increase efficiency and reach of safe ride programs
- ❖ Average monthly increase of 440% in rides provided this year



Major projects for 2017-18

Implement police officer Greek liaison

- ❖ Meets with Fraternity and Sorority Life chapters
- ❖ UOPD primary responding agency for houses
- ❖ Follows proven models on peer campuses
- ❖ Promotes positive relationships, crime prevention, and safer behaviors



Major projects for 2017-18

Create partnerships for off-campus safety

- ❖ Quarterly work group of near-campus apartment managers, bar owners
- ❖ Focus on improving student safety where they go beyond the classroom
- ❖ Directly addresses key student risk areas off-campus
- ❖ Engaging students on best approaches to reach their peers



Major projects for 2017-18

Launch national initiatives

- ❖ Hosted "Leave No Victim Behind," major national conference on improving services to underserved victims of mass violence
- ❖ Will host third iteration of this conference that attracts hundreds of law enforcement and victim services experts to the UO campus
- ❖ Created Pac-12 police chief's association and conference to compare issues and best practices
- ❖ Developing leadership academy based around community service and humane policing



Major projects for 2017-18

Adopt new tools

- ❖ Bringing in Tasers, patrol rifles, comprehensive body camera system
- ❖ Meet national law enforcement standards and expectations
- ❖ Provide tools to officers to match training and needs in the field
- ❖ Supported by training, policy, accountability



SUPPLEMENTAL MATERIALS



UNIVERSITY OF OREGON

Office of Internal Audit

Quarterly Report

March 2018

*Report to the Board of Trustees of the University of Oregon
Executive and Audit Committee*

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SUMMARY

The Office of Internal Audit (“Internal Audit”) provides a quarterly report to assist the President and the Executive and Audit Committee with their oversight responsibilities for Internal Audit.

Internal Audit works to complete projects from the approved audit plan while meeting administrative goals for the year. During the previous quarter, Internal Audit issued three assurance reports. In addition, consulting projects are accepted by management request in an effort to proactively increase efficiencies across campus. Internal Audit is also pleased to pilot a partnership with student members of Beta Alpha Psi in the spring term to provide experiential learning in the internal audit profession.

Internal Audit has communicated with senior leadership specific risks affecting the control environment. Over the course of Internal Audit’s work, we have noted the impact of decentralization and its associated risks on University processes, including internal audit projects. Internal Audit has communicated these identified risks to management to offer independent, objective insight and facilitate discussions for possible corrective action.

If there are any questions regarding the content of this report, I am available for discussion. Thank you for your work and your continued support of Internal Audit.

COMPLETED PROJECTS

ASSURANCE

Accounts Payable Practices and Controls

The objective of the project was to evaluate the internal control structure of the central function based on the Committee of Sponsoring Organizations (COSO) components and principles. Based on our review, opportunities to enhance the internal control structure over accounts payable processes were identified in each of the five components of the COSO framework.

Electronic Proposal Clearance System (E-PCS) Audit

The objective of this project was to perform an audit of general controls over the system used to manage and track grant data. Based on our review, opportunities to strengthen IT general controls over the E-PCS application were identified in the areas of change control and testing, segregation of duties, user authentication, and access management. In addition, recommendations were made regarding the platform of the application nearing end of vendor support.

NCAA Football Attendance Certification

The objective of the audit was to ensure compliance with NCAA requirements. Annually, all Division I Football Bowl Subdivision schools must undertake a certified audit verifying an average minimum attendance for home games. Internal Audit performed a review of football attendance for all home football games for the 2017 season. Based on our review, Internal Audit verified the University was in compliance with NCAA requirements.

PROJECTS IN PROGRESS

Nonretaliation Policies

Internal Audit began this project in August. This project was identified on the approved fiscal year 2018 (“FY18”) audit plan. The objective is to evaluate the compliance and effectiveness of current University policies regarding retaliatory behavior. This project is currently being finalized. *Estimated completion: March 2018*

Cash Handling

Internal Audit began this project in September. This project was rolled over from the FY17 approved audit plan to the FY18 approved audit plan. The objective is to evaluate the internal control structure of the processes used by the campus, as established by the Business Affairs Office (BAO). This project is currently in the fieldwork phase. *Estimated completion: April 2018*

Research Cybersecurity Compliance

Internal Audit, in collaboration with Baker Tilly, began this project in August. This project was identified after the FY18 audit plan was approved in June. The objective is to perform a review of grants with specific cybersecurity requirements to ensure compliance. This project is currently in the fieldwork phase, as Internal Audit and Baker Tilly have expanded testing to a larger sample of awards. *Estimated completion: March 2018*

Athletics IT Assessment

Internal Audit, in collaboration with Baker Tilly, began this project in February. This project was identified on the approved FY18 audit plan. The objective is to conduct an IT assessment for the Athletics department covering key people, processes, and technology used. This project is currently in the planning phase. *Estimated completion: May 2018*

CONSULTING

Internal Audit is currently working on three consulting projects for different units on campus that are at various stages of completion and has finalized one. While these projects take time away from planned assurance projects, they serve three very important purposes, 1) to improve efficiencies and effectiveness in a proactive manner, 2) to reinforce Internal Audit’s purpose to be a valuable partner, and 3) to provide Internal Audit with more insight regarding campus risks. Areas addressed in the current year include internal controls, process improvement, and identification of efficiencies. Once finalized, reports are issued summarizing the results.

ONGOING PROJECTS

Consulting. As mentioned previously, consulting projects are performed at management’s request. The FY18 audit plan included time for these activities. This is an area that Internal Audit has emphasized and pursued heavily. As opportunities arise Internal Audit offers this service and it has been well received by the University community. Internal Audit continues to offer training on internal controls, risk, and fraud awareness and presents at the annual Financial Stewardship Institute. Additionally, Internal Audit has developed a training series on the COSO Internal Control Framework that is being offered through the Professional Development initiatives in Human Resources. Internal Audit offers

facilitated internal control self-assessments as a service for the campus, as well as continues campus outreach and presentations to reach new audiences and introduce new concepts.

External Audit Coordination: Internal Audit is charged with coordinating and providing oversight for other control and monitoring functions, including external audit. Moss Adams, LLP is the external firm responsible for the university's financial statement audit, single audit, and NCAA agreed upon procedures. During the past quarter, Internal Audit met with Moss Adams to continue collaboration and information sharing.

FOLLOW-UP PROJECTS

Internal Audit performs follow-up work on completed projects to ensure any audit findings and action plans are implemented. Internal Audit has developed a methodology for tracking and reporting on follow-up projects. There are two projects currently in the planning phase for follow-up. Internal Audit will be reporting on these follow-up initiatives beginning next quarter.

HOTLINE SUMMARY

Internal Audit has received the following requests for investigative services during the current fiscal year. Of these, four have been completed, one is in progress, and three were referred to other units.

Reporting Sources for FY18 Investigative Services	
Campus Direct to Internal Audit	2
3rd Party Hotline	6
Grand Total	8

It is common for a university our size to have an active hotline. Peer institution benchmarking indicates the activity is low for our institution. Internal Audit continues marketing and outreach efforts, but will pursue additional avenues to ensure campus community awareness.

ADMINISTRATIVE

To provide a foundation for the direction of the office, Internal Audit created a strategic plan. Through this process, the mission was updated, and a vision and specific goals were incorporated. Administrative items, such as outreach on campus and involvement in national organizations, were included as goals and specific action items to achieve these goals were included within the plan. An implementation schedule was developed to ensure the strategic plan was achieved. At this time, all action items are on schedule.