



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

Meeting No. 35

April 5, 2023 | 1:00pm – 2:30pm

Public Meeting: [Zoom](#)

Meeting ID: 826 2442 6889 | 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 1, 2022](#)
- 2) [Approval of meeting minutes from January 27, 2023](#)

III. ACTION ITEMS

- 1) [Internal Audit Plan 2023-2024](#) | David Terry, CPA, CFE, CIA

IV. REPORTS & DISCUSSION ITEMS:

- 1) Board of Trustees Meetings - Consent agenda
- 2) Trustee Office Hours

V. ADJOURNMENT



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

Meeting No. 31

November 1, 2022 | 1:30-2:30 PM

DRAFT MEETING MINUTES

I. CALL-TO-MEETING AND ROLL CALL

Chair Betty Komp called the committee meeting to order at 1:44 PM and asked Secretary Hagemann to take the roll. The following trustees were present:

Jerry Ambris (left the meeting at 2:30 PM)
Susan Castillo
Gayle Evans
Betty Komp
Doug Morse

II. CHAIR'S WELCOME AND ANNOUNCEMENTS

Komp observed that the committee had a full agenda with both discussion and action items.

III. CONSENT AGENDA

- 1) [Meeting Minutes: July 5, 2022](#)
- 2) [Meeting Minutes: July 18, 2022](#)

Komp asked Hagemann to review the consent agenda and he confirmed that the consent agenda was comprised of two sets of minutes. Trustee Evans moved to approve the consent agenda as presented and Trustee Morse seconded the motion.

The following trustees voted in favor of the motion:

Jerry Ambris
Susan Castillo
Gayle Evans
Betty Komp
Doug Morse

No trustees opposed the motion or abstained from voting.

The consent agenda was approved.



IV. DISCUSSION ITEMS

1) [Internal Audit](#)

Komp recognized PSU Internal Auditor David Terry to offer an internal audit update. Terry shared that his office was assuming internal audit duties for Western Oregon University pursuant to a contract arrangement. Terry started with the objectives of the presentation: introduction of the audit team; overview of the engagement model, annual risk assessment and timeline of deliverables; and next steps.

Terry introduced members of his team and outlined qualifications and experiences and turned to engagement, risk assessment and the timeline of deliverables. He noted that WOU's contract with his office was based on hourly rates and that audit standards required confidentiality and a separate email account and server for WOU's records. Terry stated that he wanted the risk assessment to be complete by the end of Winter 2023, the first audit project complete by June 2023, and then consulting projects throughout the year. The risk assessment would include gathering information from various management representatives throughout the university. This work would lead to an annual audit plan comprised of risk-based planned audits.

Terry delved into the various steps of the risk assessment, including analysis and review of recent financial transactions, review of key internal controls, review of key compliance requirements, input of WOU executive management, consideration of recent WOU internal and external audits, review of significant contracts, and benchmarking against peer institutions. Terry explained that after the risk assessment, his office would create a "heat map" of auditable units on campus. He noted that the risk for each of the auditable units would be assessed. He shared that the "heatmap" would be included in the annual deliverables.

Terry outlined the next steps, including the completion of the aforementioned risk assessment, evaluation of special projects and the need for outside auditors, work with WOU management to get system and records access, and periodic updates with the Board and management on ongoing audit projects. Terry asked if the committee members had questions.

Trustee Morse asked Terry about the criteria used to develop the risk assessment heat map. Terry outlined four "buckets" to develop the heat map: management input; key internal controls; financial significance; and audit rotation score. Terry explained how various auditable units were created. Morse asked for confirmation that the heat map and risk assessment was primarily internal to WOU. Terry shared that most of the effort was focused internally but shared some examples of external forces—like cybersecurity—that would come into play. Trustee Castillo asked when the Board and the committee would be able to see the risk assessment and Terry shared that a draft would be available at the end of Winter 2023.



Trustee Evans inquired about the risk assessment and its relationship to an enterprise risk management process/report. Terry noted that the risk assessment would be a public document, accompanied by an audit plan, and would be distinct from an enterprise risk management report if the university did engage in ERM analysis. Evans asked whether the risk assessment included litigation risk. Terry noted that internal audit tries to not duplicate efforts with external auditors. External auditors typically cover litigation risks to the university. Trustee Ambris asked how internal auditors would select something of a lower risk to be included in the audit plan. Komp asked about who was included in executive management. Terry outlined that he would reach out to the president, the president's cabinet, the controller, and the general counsel. She inquired about the Board's role and Terry shared that internal audit should have a dual reporting structure, including both the president and the Board Chair. Terry outlined various interactions the Board could expect over the course of the year as his office was executing the audit plan.

Komp asked Hagemann about the audit committee and he confirmed that EGTC serves as the Board's audit committee.

2) 2022-2023 Committee Work Plans

- a) [EGTC Work Plan](#): Roles & Responsibilities, Strategic Planning, Presidential Evaluation, WOU Foundation Comprehensive Campaign

Komp turned attention to the EGTC Work Plan. Komp asked if the EGTC members had reviewed the other draft committee work plans. Komp reflected that the development of work plans in the future might be best suited for the Board's retreat. With the draft committee work plans, Komp shared that her next step would be to distill goals into a "SMART" form—which would be the development of a goal that was specific, measurable, achievable, relevant, and time bound. Komp asked the committee for input about the idea to develop SMART goals for each committee and for possible ideas for EGTC goals. Morse observed that the EGTC goals should relate directly to the committee's charter. Morse walked the committee through the current charter and topics for which the committee was specifically responsible. He noted the president's performance evaluation, the strategic plan, and advancement efforts from the charter. Morse continued that the committee had not delved into advancement and the comprehensive campaign might be a point to develop a committee goal. President Jesse Peters shared ideas about the development of a meaningful strategic plan, including Board involvement. He also noted that EGTC could play a larger role in institutional advocacy. Ambris echoed comments about the development of the strategic plan. Including the Board's active engagement. He also shared the significance of a good onboarding process and its relationship to trustees serving as effective advocates for the university.

3) [EGTC Committee Charter](#)



Komp asked Evans to offer observations about the committee work plans and the EGTC Committee Charter and Evans noted that both the EGTC and FAC had references to responsibility for the audit function. Evans asked Hagemann if he had any information about the committee charters. Hagemann shared that at some point early in the new Board's independence, audit responsibilities were shifted from the FAC to the EGTC and that he would review past records to confirm. Evans stressed the importance of the Board's input on the risk assessment. Morse offered that he supported Evans' observations and wanted to make sure to honor transparency and management and the Board's roles in the development of the risk assessment and the audit plan. Hagemann offered his experience about the Board's ultimate role in the development and approval of the audit plan.

4) Board Agenda Changes

V. ACTION ITEMS

1) [Revision of Board Statement on the Delegation of Authority](#)

Komp asked Hagemann to introduce the action item regarding the Board Statement on the Delegation of Authority. Hagemann explained the two major proposed revisions to the Board Statement. He outlined the proposed revisions of Section 1.6 of the Board Statement regarding transactions and the role of the Board in the approval of certain transactions, including moving approval authority of particular transactions from the Board to the President. Hagemann shifted and walked through the second set of revisions of the policy council and development process. He noted that the proposed revisions were devised to capture flexibility for the president to identify any representative body to assist with the policy development process.

Trustee Reis asked for clarifications on both sets of proposed revisions. First, he inquired about a provision in Section 1.6 about a trustee asking for a transaction to come to the full Board for approval. Reis asked how the Board or any trustee would be aware of the proposed transaction so the individual trustee could ask for the transaction to be included on the Board's agenda. Hagemann offered that his observation was good and that the university would likely need some internal process to ensure the Board was informed of transactions. Reis also asked about the policy development and Policy Council revisions and why WOU was unable to convene the council when the other universities did. Reis also asked about the retroactive approval of policies that might have been developed or considered when Policy Council did not meet. Hagemann explained electronic meetings during COVID to promulgate key processes but acknowledged and agreed with Reis' observations about the dormancy of policy development and the desire to resurrect it and its importance to the university. Reis asked whether or not shared governance bodies were consulted about the docket item and Hagemann replied that the revision regarding the representative body was not circulated, but, if the Board approved the change and President Peters were to approve the use of the cabinet to serve as the representative body for policy development, all of those changes and processes would be discussed with shared governance leaders. Reis finally offered a friendly amendment to the revision



and asked for the committee to consider deleting reference to the general counsel as responsible for policy development. He reasoned that this would offer the president additional flexibility to ensure policy development moved forward.

Komp called for a motion to approve the revisions to the Board Statement on the Delegation of Authority. Morse asked Hagemann to offer a motion and he shared that the EGTC could recommend to the full Board the adoption of the Board Statement revisions as presented and included in the written docket, subject to the friendly amendment from Trustee Reis. Morse moved such recommendation and Castillo seconded the motion.

The following trustees voted in favor of the motion:

Susan Castillo
Gayle Evans
Betty Komp
Doug Morse

No trustees opposed the motion or abstained from voting.

The motion passed.

Komp echoed that she would alert committee chairs to ensure the committee charters were updated. Komp asked President Peters about whether the proposed changes and flexibility would help accomplish goals. Komp offered that she would ask Hagemann to send out information on the other draft committee work plans. She asked committee members about communication regarding the new Board meeting structure. Committee members stressed the need to communicate the meeting structure changes to campus before the November meeting specifically. Morse inquired about returning to the draft committee goals and wanted to understand the next steps to develop and refine those goals. Komp shared that she would like to have a future EGTC meeting on the topic of committee goals specifically.

VI. ADJOURNMENT

Chair Komp adjourned the meeting at 2:58 PM with a quorum.



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

Meeting No. 34

January 27, 2023 | 2:00pm – 3:30pm

Public Meeting: [Zoom](#)

By Phone: 1-253-215-8782 | Meeting ID: 833 2805 7482 | Passcode: 606707

DRAFT Minutes

I. CALL-TO-MEETING AND ROLL CALL

Chair Komp called the meeting to order at 2:00pm and Interim Secretary LouAnn Vickers took roll.

Trustees Present: Jerry Ambris, Susan Castillo, Gayle Evans, Betty Komp, Doug Morse, Jesse Peters

Others Present: Heather Brophy, Ana Karaman, Shadron Lehman, LouAnn Vickers

II. CHAIR'S WELCOME AND ANNOUNCEMENTS

Chair Komp welcomed the committee and called on President Peters to provide an update to the Committee. Topics included a Budget Open Forum to be held on campus January 31st; consultants from the search firm for the Provost Search visited campus to hold focus group meetings; Cultural Competency workshop is taking place on campus and the Equity Assessment work will begin next week; after a failed search, the HR search is relaunching with an extended start date of July 1; HSI committee has been established to begin mapping timelines and developing benchmarks; HSI Summit is scheduled for April 26; Brittany Kima (PIO & Social Media Manager) and Rico Lujan Valerio (Director for Government Relations) have both joined the WOU community; our accreditors will be visiting campus in April.

Trustee Evans noted that WOU might consider elevating the HR executive director role to increase salary to better match what's needed. Trustee Castillo supported this suggestion.

Trustee Castillo expressed appreciation to President Peters for his transparent communications regarding the budget challenges.

Trustee Ambris encouraged President Peters to celebrate the wins amidst the hard times and was also appreciative of the transparency in his communications.

III. CONSENT AGENDA

- 1) [Approval of meeting minutes from December 16, 2022](#)



2) [Approval of meeting minutes from January 13, 2023](#)

Chair Komp called for a motion to adopt the consent agenda which included meeting minutes from the December 16, 2022 and January 13, 2023 meetings.

Trustee Morse moved and Trustee Ambris seconded. Minutes were approved with no changes.

III. ACTION ITEMS

1) [Committee Charter \(revisions\)](#)

The Committee reviewed the edits made to its Charter. There was further discussion around the changes to the Board Membership section. It was noted that the process for adding new trustees can only take place during specific intervals when the Oregon Legislature is in session. Thoughtful planning will need to be in place to align our needs with those benchmarks. It's important to develop a transparent process but not slow down the process by waiting for the Board to meet each time a vacancy occurs.

The Committee determined that adding a form to the website would provide an opportunity for the WOU community to make recommendations about ideal characteristics for incoming trustees as the needs of the university are assessed.

In the section for Litigation, Legal Services, and Risk Management, it was suggested to replace the word "sitting" with "acting" in reference to the EGTC performing as internal audit committee.

Chair Komp called for a motion to approve the revisions to the EGTC Committee Charter, as presented in the docket, with suggested edits. Trustee Morse moved for approval. The motion was seconded by Trustee Castillo. The revisions to the Charter were approved.

2) [WOU Board of Trustees Delegation of Authority 1.6 \(revisions\)](#)

Vice President Ana Karaman explained the process used to develop the recommended changes to section 1.6 in the Delegation of Authority. At the request of President Peters and Chair Komp, she formed a task force, which included her, the Controller, and Director of Accounting. They compared this section of our statement to the language in the statement used by the other Oregon public universities.

She noted that section 1.6 outlines the generic authority delegated to the Board and section 2.8 outlines the generic authority that is delegated to the President. After reviewing the language used for this policy by the other universities, they developed the changes recommended in the docket materials.

Dr. Karaman noted that this policy was adopted by all public universities in 2015, when the Oregon University System was dissolved. And since that time, the other Technical &



Regional Universities (TRU's) have revised this section to increase the approval authority of the president to \$1 million.

Given this information, the recommendation is for WOU to increase the budget authority of the president to \$1 million. However, if a contract exceeds \$1 million, or if due to continued negotiation or changes in the deliverables the cost should increase, and the increase exceeds 10%, then the contract would need to be brought to the Board for approval.

Additionally, if a contract doesn't initially exceed \$1 million but a change occurs that causes it to exceed \$1 million, then it would need to come to the Board for approval.

The compensation amount of a settlement agreement (section 1.6.8) was also revised. This was lowered from \$500,000 to \$250,000.

With regards to section 2.8, it was noted that if it is impractical for the board to meet, the president can execute the agreements and then bring them back to the board via the executive committee.

In the Committee's conversation, it was noted that with the capability for the board to meet virtually, it is now easier to convene than perhaps when this document was originally written. The task force didn't recommend changes to this section.

Chair Komp called for a motion to approve the revisions to section 1.6 in the Delegation of Authority as presented in the docket. Trustee Evans moved that the revisions be accepted. Trustee Morse seconded the motion. Vote was unanimous in favor of the revisions.

IV. REPORTS & DISCUSSION ITEMS:

1) Board of Trustees Meetings – flow of 2-day meetings

Chair Komp solicited feedback with regards to the new 2-day meeting format that was implemented this year. The trustees confirmed that they appreciated the opportunity to focus and showcase students' work. They also noted that having the extended meeting time, provided additional opportunities for them, as a board, to interact and work together.

V. ADJOURNMENT

The meeting was adjourned at 3:20pm.

Executive, Governance & Trusteeship Committee
April 5, 2023
Internal Audit, Internal Audit Plan FY 2023-2024

The annual audit plan is a guide that is developed for the utilization of the Internal Auditor's resources during the fiscal year to address the risks of Western Oregon University. The assessments of risks were performed through a collaborative process which included the Internal Auditor, the President, and members of the President's Senior Leadership.

The following key factors were considered to assess risk and develop the audit plan:

- Potential for impact on University-wide policies and procedures
- Changes in systems, processes, policies, or procedures
- Transaction volume
- Staff turnover

Ultimately, Internal Audit's objective is to provide management with information to reduce exposure to negative effects that may be associated with operations intended to achieve management's objectives.

STAFF RECOMMENDATION:

The Internal Auditor recommends that the WOU Executive, Governance and Trusteeship Committee accept the Internal Audit Plan FY 2023-2024 as included in the docket material.

Western Oregon University
Fiscal Year 2023 & 2024 Internal Audit Plan



March 2023

Prepared by:
David Terry, CPA, CFE, CIA
Internal Audit Office

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PLAN OVERVIEW

This document provides the FY 2023 & 2024 Internal Audit Plan as required by professional auditing standards.

AUDIT PLAN – Exhibit A

The final audit plan covers a 17-month period beginning May 1, 2023 through June 30, 2024. This plan includes internal audits selected based on the results of the entity wide risk assessment performed by Portland State University's (PSU) Internal Audit Office (IAO), who has been contracted by Western Oregon University (WOU) to provide internal audit services.

PRIORITIZED POTENTIAL AUDITS – Exhibit B

The IAO prioritized the university's departments, or auditable units, by sorting the units from highest risk to lowest risk based on scoring criteria used for the entity wide risk assessment. The IAO analyzed the results to determine if risk ratings were consistent with what professional judgment would expect. In addition, the IAO considered significant changes in processes units are currently undergoing and/or will be undergoing in the near future to help identify the timing of when an Internal Audit should occur. This resulted in the prioritized ranking of audits.

RISK FACTOR DEFINITIONS AND SCORING CRITERIA – Exhibit C

The IAO established risk criteria, based on best practices implemented by other Internal Audit Departments throughout governmental and higher education entities, to be used in determining the overall risk for each potential audit unit. The IAO scored risk for each auditable unit by: receiving input from key stakeholders throughout the university; scoring the complexity of each unit; scoring the significance of the impact an error and/or weakness would have to the college as a whole if a detrimental event were to occur in that unit; scoring the significance of revenues and expenditures flowing through the unit; and scoring risk based on the IAO's professional judgment.

AUDIT ENTITIES – Exhibit D

Exhibit D provides an overview of the audit universe at the university (i.e. "what is auditable"). Defining the audit universe is a critical step in helping plan future internal audits at the university. Each auditable unit must be distinct and contain activities structured to obtain common objectives. For the FY 2023-24 entity wide risk assessment, there are 18 auditable units.

FY23-24 INTERNAL AUDIT PLAN & BUDGET

EXHIBIT A

Internal Audit Plan

April 1, 2023 through June 30, 2024

Audit #	Engagement Title	Hours*	Timeframe**	Comments
Annual Risk Assessment	FY25 Annual Risk Assessment	40	June 2024	Required annually by IIA auditing standards.
Planned Audits				
2023-1	Vendor Master File	Estimated at 200 hours	May-Jun. 2023	
2024-1	Financial Aid – Process Review	Estimated at 200 hrs.	Jul.-Sept 2023	
2024-2	Clery Act Compliance Audit	Estimated at 350 hrs.	Dec-June 2024	
Other Services				
CONSULT	Consulting Work and Special Reviews	100 hrs.	Fiscal Year 2023-24	Consulting work as requested by mgmt.
	Total Audit Hours for FY 2023-24	890 hrs.		

* Hours may be adjusted as needed based on scope and objectives of the planned audit and potential issues identified during fieldwork.

** Dates may be adjusted as needed to avoid a negative impact on WOU projects, available staff and resources.

Internal Audit Plan
 Description of Audits
 May 1, 2023 through June 30, 2024

Audit #	Description
2023-1	Project will review WOU’s vendor master file to help provide reasonable assurance that proper segregation of duties exists between WOU employees and payments to vendors and contractors WOU has utilized.
2024-1	Project will review and test key financial aid processes, controls, and compliance requirements that may not be covered in the Single Audit. Project will review institutional vs. non-institutional charges, unclaimed property check refunding processes, and other compliance requirements related to Title IV financial aid funds.
2024-2	A Clery Act Compliance Audit to gain reasonable assurance that material aspects of the Clery Act are implemented and functioning effectively.
Risk Assessment	The annual risk assessment forms the basis of the audit plan. Auditing standards require the IAO to conduct an annual risk assessment to conform to standards.
Consulting	WOU management may ask Internal Audit for consulting services to be performed in accordance with the Mission & Authority Statement for the Internal Audit Department.
Special Reviews	Includes hours for unplanned, special requests for audit reviews and investigations arising from allegations received and/or actual detrimental events occurring at the university.

FY23-24 ENTITY WIDE RISK ASSESSMENT

EXHIBIT B

FY23-24 Prioritized Audit Risk Model – Auditable Units

Auditable Entity / Unit	Total Risk	Risk Ranking	Risk Category	IA Planned for FY'23?
Financial Aid	41.8	1	High	Yes^
Human Resources and Payroll	37.6	2	High	No^
Public Safety	37.4	3	High	Yes
Student Affairs	37.4	4	High	No
Information Technology	37.3	5	High	No^
Academic Affairs	37.3	6	High	No
Capital Planning, Construction, & Facilities	37.3	7	High	No
General Counsel & Risk Management	35.9	8	Moderate	No
Athletics	35.4	9	Moderate	No
Diversity, Equity, and Inclusion and Title IX	35.3	10	Moderate	No
College of Liberal Arts and Sciences	35.3	11	Moderate	No
College of Education	35.3	12	Moderate	No
Finance and Administration	35.3	13	Moderate	Yes^
Graduate Studies and Research	35.0	14	Low	No
Advancement/Development	34.3	15	Low	No
Presidents Office & Board of Trustees	33.4	16	Low	No
General Institution	33.1	17	Low	No
Library	29.0	18	Low	No

^ External audit testing helps provide some coverage for these audit units. For example, IT receives some review each year under the external audit for GLBA compliance requirements.

FY 2023-24 RISK FACTORS, SCORING CRITERIA, & AUDIT PLAN APPROVAL PROCESS

EXHIBIT C

Overview of Entity Wide Risk Assessment

	A	B	C	D = A+B+C
Auditable Unit	Risk Assessment Interview Score	Financial Significance Score	Last Time Audit by IA Score	Total Risk Score
Example Auditable Unit A	30	6	7.2	43.2
Example Auditable Unit B	10	0.5	0	10.5

Risk Assessment Interview and Survey Score – The IAO held interviews with WOU executive management to help gain an understanding of risks and obstacles each unit was facing and to gain a more thorough understanding of the duties and responsibilities of each unit. The IAO asked stakeholders questions on where these managers saw risks at WOU, both internal risks and external risks. The IAO also sent a risk assessment survey to approximately 30 WOU managers to get their input on risks at WOU.

IAO scored the responses provided by stakeholders interviewed and surveyed based on IAO’s collective professional experience and observations of these auditable units and related risks in higher education. The IAO assessed an initial risk score based on the risk assessment interviews and placed this score into Column A above. The highest score possible for this section of the risk assessment was 30 points and the lowest was 10 points.

Financial Significance Score – The IAO also assigned a risk score to each auditable unit based on how much revenues the unit processed during fiscal year 2022 (FY22) or how much expenditures the unit incurred during FY22. The primary concept of the risk scoring for this attribute was that as the amount of revenues and/or expenditures increases in a unit the risk for that unit also directly increases. The IAO primarily used financial data provided by WOU’s Budget

Office to obtain the revenue and expenditure amounts. The greater of revenues or expenditures being processed through the unit for FY22 was used to score the financial risk for the unit using the scoring matrix outlined below:

Risk Score Matrix for Financial Significance:

Revenue or Expenditure Total for FY22	Multiply Risk Score in Column A by the Percentage Below and Place the Results in Column B
> \$5,000,000	20%
\$4,999,999 to \$3,000,001	15%
\$3,000,000 to \$1,000,001	10%
\$1,000,000 to \$0	5%

The highest score an audit unit could obtain from the financial risk scoring here would be 6 points, and the lowest possible score an audit unit could obtain from this scoring would be .5 points.

Last Time Audited Score - The IAO also assigned a risk score to each auditable unit based on how much time has elapsed since an internal or external audit was conducted over all or a portion of the respective auditable units. A risk score was added onto each auditable unit using the scoring matrix below based on the length of time that has elapsed from the IAO’s last audit of the unit.

Last Time Unit was Audited	Risk Points Scale
Audited 5+ years ago	20%
Audited 2 to 5 years ago	10%
Audited within 1 to 2 years ago	0%

The risk scores from the length of time elapsing since an audit had been conducted at the auditable unit was placed in Column C above by taking the sum of risk score attribute A plus attribute B and multiplying that sum by the percentage in the Last Time Unit Was Audited matrix above. The highest risk score possible for Column C would be 7.2 and the lowest risk score possible for Column C would be 0.

Total Risk Score - To obtain the total risk score for each auditable unit, the IAO took the sum of the risk scores noted in Columns A through Column C, which was then placed in Column D as the auditable unit’s total risk score. These risk scores are the scores presented in Exhibit B and these risk scores were used to sort the various auditable units from high risk (i.e. units scoring 30 points or more) down to low risk units (i.e. units scoring below 20 points). The highest total risk score an audit unit could obtain using the risk scoring criteria above would be a score of 43.2 points, and the lowest score an audit unit could obtain would be a score of 10.5 points. Finally, to help designate high, moderate, and low risk audit units, the IAO took any audit unit that scored 36 points or higher and classified this as high risk. Units scored between 35.99 to 35.0 points were assessed as moderate risk. Units scored 34.9 points or less were assessed as low risk.

Internal Audit Plan Approval Process Flowchart

IAO conducts a financial analysis over each audit unit's fiscal year 2022 financial transactions. This analysis is scored into a portion of each audit unit's risk assessment score.



IAO interviews a sample of key stakeholders at WOU to receive input into the annual risk assessment and audit plan and to discuss potential risks to WOU and controls implemented to mitigate those risks. The input from the interviewees is then scored as a portion of the risk assessment scores



Draft annual audit plan and results of annual risk assessment presented to Executive and Audit Committee (EAC) at April meeting. EAC and IAO finalize the areas to be audited over the next fiscal year based on review and discussions over the results of the annual risk assessment.



IAO projects conducted in accordance with the approved audit plan.

EXHIBIT D

AUDITABLE UNITS DEFINED

Auditable Units Summary Descriptions

- 1. Academic Affairs** – This unit includes Student Success & Advising; Office of International Students and Academic Support; Academic Effectiveness; the Learning Center; the Writing Center; Accreditation; Honors Program; Institutional Research; Provost Office; and Registrar’s Office. Academic Affairs is budgeted under Index Codes AAD901 through WRC901 in Banner.
- 2. Advancement & Development** – This audit unit includes Strategic Communication & Marketing; the WOU Magazine; the Office of Institutional Advancement; and the Alumni Office. Advancement & Development is budgeted under Index Codes COM902 through MKT902 in Banner.
- 3. Athletics** – This audit unit covers all men’s and women’s sports programs at WOU. This audit unit is budgeted under Index Codes JF1101 through JF3101 in Banner.
- 4. Capital Planning, Construction, and Facilities** - This auditable unit includes the Capital Planning and Construction; Energy Management; Building Maintenance and Alteration; Janitorial; and Grounds Maintenance. This audit unit is budgeted under Index Codes CPC901, PPF715, and PPO908 through PPO920 in Banner.
- 5. College of Education** – The College of Education audit unit includes Clinical Practice & Licensure; Education & Leadership; the Dean’s Office; Deaf Studies & Professional Studies; and Health & Exercise Science. The College of Education is budgeted under Index Codes CPL901 through HEX901.
- 6. College of Liberal Arts and Sciences** – The College of Liberal Arts and Sciences audit unit includes Social Science; Business; Creative Arts; Criminal Justice; Computer Science; the Dean’s Office; Military Science Labs; Humanities; Mathematics; Natural Sciences; Nursing; and Psychology. The College of Liberal Arts and Sciences is budgeted under Index Codes BUS902 through SOC902 in Banner.
- 7. Diversity, Equity, and Inclusion and Title IX** - The Office of Diversity Equity & Inclusion helps to manage and support the campus community’s diversity, equity, and inclusion efforts along with the coordination of the university’s Title IX compliance processes. This audit unit is budgeted under Index Codes DEI901 in Banner
- 8. Finance and Administration** – This auditable unit includes the Business Services; Records Retention; Budget and Resource Planning; Grounds Maintenance; Print Production; the Mail Room; Bookstore, Occupational & Environmental Safety; Emergency Preparedness and the

Office of the Vice President for Business & Finance. This audit unit is budgeted under Index Codes BAO901 through VPF901 in Banner, but excludes Index Codes HR0915, UCS901 through UCS916, CPC901, PSS917, PPF715, and PPO908 through PPO920. **Note – This operational unit does include Human Resources & Payroll, Public Safety, Capital Planning, Construction & Facilities, and Computing Services/IT; however, these units have been broken out and assessed separately for this audit risk assessment.**

- 9. Financial Aid** – This auditable unit represents the Financial Aid Office and all Title IV federal financial aid funds managed by WOU. This auditable unit is budgeted under Index Code FAI908 in Banner.
Note - The Internal Audit Office broke the Financial Aid Office out separately from Student Affairs as Financial Aid has unique federal regulations to comply with related to the handling of Title IV federal financial aid funds.
- 10. General Counsel & Risk Management** – This auditable unit represents the Office of General Counsel, Risk Management, and funds budgeted for specialized outside legal services. This auditable unit is budgeted under Index Codes LEG901 through LEG903.
- 11. General Institution** – This auditable unit includes Fee Remissions; Indirect Cost Recoveries; SELP Loans; State Government Assessments; and other university wide reserves and fees. This audit unit is budgeted under Index Codes GEN710 through IDC901 in Banner.
- 12. Graduate Studies and Research** – This auditable unit includes the Graduate Office; Graduate Assistant Remissions; RCD Operations; Sponsored Projects; the Institutional Review Board; and Sponsored Research Support Services. This auditable unit is budgeted in Banner under Index Codes GRA901 through TRI294.
- 13. Human Resources and Payroll**– This auditable unit represents all human resource processes, control and compliance requirements, and payroll transactions of the entire university. This auditable unit is budgeted under Index Code HR0915 in Banner. **Note - The Internal Audit Office broke Payroll and Human Resources out separately from the Finance and Administration audit unit as Payroll and Human Resources have unique State and Federal regulations to comply with related to the hiring, employing, and paying for employee services at WOU.**
- 14. Information Technology** - This auditable unit includes Computing Services. This audit unit is budgeted under Index Codes UCS901 through UCS916 in Banner. **Note – This operational unit falls under Finance and Administration; however, this unit has been broken out and assessed separately for this audit risk assessment due to the unique risks within this unit.**
- 15. Library** - This auditable unit includes Library Operations; Academic Innovation; and Library Exhibits, Books, Subscriptions/Databases, and Open Educational Resources. This audit unit is budgeted under Index Codes LIB901 through LIB971 in Banner.
- 16. President’s Office & Board of Trustees** – This auditable unit includes the President’s Office, support funds and support operations of the WOU Board of Trustees; and the Public

Affairs & Strategic Initiatives. This unit is budgeted under Index Codes PRE907 through PSI901 Banner.

- 17. Public Safety** - This auditable unit includes the Public Safety Office, Parking, and Emergency Management and the university's Clery Act compliance requirements. Public Safety is budgeted under Index Code PSS917 in Banner. **Note - The Internal Audit Office broke Public Safety out separately from the Finance and Administration audit unit as Clery Act compliance is deemed a material compliance requirement for the entire university that was broken out to be assessed as its own unique auditable unit.**

- 18. Student Affairs** - The Student Affairs audit unit includes the Office of Admissions; Housing and Dining; Campus Recreation; Community Internship Programs; the Freedom Center; the Vice President of Student Affairs Office; the Career Development Center; the Office of Disability Services; Upward Bound; Student Enrichment; the Veteran's Success Center; Abby's House; Multicultural Student Services; and ID Photography. Student Affairs is budgeted under Organization Codes 422100 through 460910 and includes Index Codes ADM924 through SEO909 in Banner.