NOTICE OF PUBLIC MEETING

The Executive, Audit, and Governance 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. The subject of the meeting will be a quarterly update from the Office of Internal Audit.

Video livestream information is available at: https://trustees.uoregon.edu/meetings. Meeting materials are available at: https://trustees.uoregon.edu/upcoming-meetings. If telephone conference, sign language for the deaf or hard of hearing, or accessibility accommodations are required, contact trustees@uoregon.edu at least 48 hours in advance of the posted meeting time. Please specify the sign language preference if applicable.

The meeting will occur as follows:

Monday, September 28 at 9:00 a.m. Pacific Time (Public Board Meeting)
Ford Alumni Center, Giustina Ballroom

Government issued identification or university identification will be required to access the Ford Alumni Center during the meeting.

Office of the University Secretary
Board of Trustees
112 Johnson Hall
6227 University of Oregon, Eugene, OR 97403-6227
541-346-3166 | **trustees.uoregon.edu**

Board of Trustees of the University of Oregon
Executive, Audit, and Governance Committee | Public Meeting
9:00 a.m. | Monday, September 28, 2026
Giustina Ballroom | Ford Alumni Center | Eugene Campus

Convene

- Call to order, roll call.

1. Creating a Flourishing Community: Enhancing Business Operations.

1.1 Quarterly Internal Audit Update. Anta Coulibaly, Chief Auditor.

Meeting Adjourns

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Office of Internal Audit Executive, Audit, and Governance Committee Report

September 2026

Report to the Board of Trustees of the University of Oregon

EXECUTIVE SUMMARY

This report provides the Executive, Audit, and Governance Committee (EAGC) with an update on the Office of Internal Audit (OIA) activities for the period June 1, 2026, through August 31, 2026. Notable activities include:

- **Completed Projects**: OIA completed two audits covering academic affairs while a third review remains in the final reporting stage. Controls were generally effective with opportunities to strengthen monitoring and process consistency.
- **Ongoing Projects:** Three engagements are currently in progress covering Information Technology (IT), fiscal and administrative operations, and foreign gifts and contracts compliance under the Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act and Section 117 of the Higher Education Act (Section 117).
- **Corrective Action Plan Status**: OIA continues to monitor outstanding management action plans to support timely implementation. All corrective actions remain on track.
- **Hotline Activity**: OIA received 12 hotline reports during the reporting period and continues to investigate and monitor matters through resolution. Management is addressing control gaps identified through completed investigations.

COMPLETED PROJECTS

OIA completed the following projects during the reporting period:

Assurance Engagements
- Fiscal and Administrative Review - Division of Global Engagement.
- Lindeleaf Scholarship Recipient Verification.

Advisory Engagements
- None.

Where applicable, corrective actions have been developed and will be tracked through the follow-up process.

PROJECTS IN PROGRESS

Three engagements are currently underway across key risk areas, with two in fieldwork and one in planning. All projects are progressing as expected.

Project	Area	Phase	Status
IT Risk Assessment (Phase 1) - Information Services	Finance & Administration	Reporting	**On Track**
IT Risk Assessment (Phase 2) - Finance and Administration Shared Services	Finance & Administration	Planning	**On Track**
Fiscal and Administrative Review - College of Arts and Sciences	Academic Affairs	Fieldwork	**On Track**

CHIPS and Science Act / Section 117	Research & Innovation	Planning	On Track

AUDIT PLAN ADJUSTMENTS

During the reporting period, OIA adjusted the audit plan as follows:

- **Experiential Learning Review:** Removed to allow ongoing institutional initiatives time to mature.
- **Classification and Compensation Advisory:** Removed after management determined that the project was no longer needed.
- **Student Onboarding Advisory:** Removed as a standalone engagement. OIA will evaluate related risks through the Admissions audit and future risk assessments.

Following these adjustments, three projects remain from the FY 2025-26 Audit Plan: two are in fieldwork, and one has been deferred pending implementation of Title II of the American with Disability Act.

CORRECTIVE ACTION PLAN STATUS

Fifteen corrective action plans related to six audits remain open, as outlined below. OIA will follow up on corrective actions as they reach their established due dates.

Project	Responsible Area	Open Actions	Final Due Date*
Conflict of Interest (COI) /Commitment and Financial COI	Research & Innovation	1	October 14, 2026
Post Award Processes	Research & Innovation	1	October 31, 2026
Identity and Access Management	Finance & Administration	1	December 30, 2026
Fiscal and Administrative Review - Global Engagement	Academic Affairs	1	December 31, 2026
Fiscal and Administrative Review - College of Design	Academic Affairs	8	June 30, 2027

**Dates reflect current approved completion dates, including any approved extensions.*

HOTLINE ACTIVITY

OIA received twelve reports during the reporting period: three were closed without action due to insufficient information, two were substantiated, one was partially substantiated, and six remain open. Reporting sources are summarized below.

Reporting Sources	
Campus Direct to OIA	2
3rd Party Hotline	10
Grand Total	**12**

OIA also completed two investigations related to reports received in prior reporting periods and, where applicable, will follow up to confirm implementation of resulting corrective actions.

ADMINISTRATIVE

OIA Strategic Plan Status: OIA continued to make progress in team development, methodology, technology, and stakeholder engagement. Some initiatives have been adjusted as priorities evolved, and work will continue on the remaining priorities through the end of fiscal year 2027.

Internal Audit Updates

Board of Trustees Meeting

September 28, 2026

UNIVERSITY OF OREGON

Audit Plan Activity

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FY 2025-26 Audit Plan Status

12 of 15 projects in the adjusted plan completed

2 audits in fieldwork | 1 audit deferred pending regulatory implementation

STATUS OF PROJECTS IN THE ADJUSTED PLAN

STATUS	AUDITS	ADVISORY	TOTAL
Completed	10	2	12
In Fieldwork	2	0	2
Deferred	1	0	1
Total in Adjusted Plan	**13**	**2**	**15**

PLAN RECONCILIATION

Original Approved Plan		Plan Adjustments (Removed)		Adjusted Plan (Current)
18 projects	−	3 projects	=	15 projects

Three projects were formally removed from the plan based on changes in institutional needs and planned audit coverage.

PLAN ADJUSTMENTS

1 Audit Deferred

Deferred until the Title II regulatory requirements become effective.

1 Audit Removed

Removed to allow related institutional initiatives additional time to mature.

2 Advisory Projects Removed

- Management determined the engagement was no longer needed.
- Related risks will be evaluated through the Admissions audit.

Division of Global Engagement

OVERALL CONCLUSION

Controls generally effective; some improvements needed.

OBJECTIVES

Evaluate the adequacy and effectiveness of internal controls over key administrative and fiscal processes and identify opportunities for improvement.

KEY OBSERVATIONS

- Elevated access controls not consistently applied.
- Inconsistent hardware inventory and reconciliation process.
- Reconciliations not consistently documented.

MANAGEMENT RESPONSE

- Management agreed with one observation and partially agreed with two.
- Management committed to all corrective actions.

CORRECTIVE ACTIONS

- Review and restrict elevated access. Establish a standardized approach for elevated access review.
- Complete a reconciliation of all endpoint devices. Establish documented procedures for endpoint inventory.
- Revise the Division's fiscal reconciliation procedures.

Note: Corrective actions are summarized for presentation purposes. Management's complete response and action plan are included in the final report.

Lindeleaf Scholarship Eligibility Certification

OVERALL CONCLUSION
Selected recipient meets the qualifications of the award agreement.

OBJECTIVE

Confirm eligibility requirements were met for the selected recipient for the AY26-27 Lindeleaf Scholarship.

KEY OBSERVATIONS

- Selected recipient meets the qualifications of the award agreement, and funds have been distributed accordingly.

MANAGEMENT RESPONSE

- Not Applicable

PLANNED ACTIONS

- Not Applicable.

Projects in Progress

PROJECT	AREA	PHASE	STATUS
IT Risk Assessment - Information Services	Finance & Administration	Reporting	On Track
IT Risk Assessment – Finance and Administration Shared Services	Finance & Administration	Planning	On Track
Fiscal and Administrative Review - College of Arts and Sciences	Academic Affairs	Fieldwork	On Track
CHIPS and Science Act / Section 117 (FY 2027)	Research & Innovation	Planning	On Track

Corrective Action Plan Follow-up

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Corrective Action Lifecycle

1 Audit Identifies an Issue

Internal Audit identifies a control gap or opportunity for improvement during an audit.

2 Recommendation and Agreed Action

We issue a recommendation and management develops a corrective action plan, including responsible parties and target completion date(s).

3 Management Implements the Action

Management implements the agreed action and provides supporting evidence when the action is complete.

4 Internal Audit Validates

Internal Audit reviews the supporting evidence and performs additional validation, as appropriate, to confirm that the action has been implemented.

5 CAP Closed

Once we confirm that the action has been implemented, we close the corrective action.

Management owns implementation; Internal Audit independently validates completion before closing corrective actions.

Corrective Action Plan Status

PROJECT	RESPONSIBLE AREA	OPEN ACTIONS	FINAL DUE DATE
Conflict of Interest (COI) /Commitment and Financial COI	Research & Innovation	1	October 14, 2026
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Identity and Access Management	Administration & Finance	1	December 30, 2026
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OPEN ACTIONS SUMMARY

5	12	0	Latest Due Date
Projects	Open Actions	Past Due	June 30, 2027

Hotline Activity

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Hotline Activity

DISPOSITION OF REPORTS

3
Closed – Insufficient Information

2
Substantiated
(1 substantiated case was closed this period)

1
Partially Substantiated

6
Open
(Under investigation)

2 PRIOR-PERIOD INVESTIGATIONS COMPLETED

Two investigations related to reports received in prior reporting periods were completed during the reporting period.

Corrective actions will be monitored to implementation, where applicable.

REPORTING CHANNEL

How reports reached OIA

10
Third-Party Hotline
(83%)

2
Directly to OIA
(17%)

Selected Investigations Outcomes

Area	Outcome	High-Level Observation	Management Response
IT Procurement Processes	**Substantiated**	A department did not consistently follow established IT procurement requirements.	Management is addressing the identified process gap.
Expense Approvals	**Substantiated / Partially Substantiated**	Expense approval practices did not consistently maintain appropriate segregation of duties.	Management is strengthening the approval process.
Institutional Guidance	**Unsubstantiated**	The underlying allegation was not substantiated; however, the investigation identified inconsistencies in institutional guidance.	Management is working to clarify the guidance.

RESULTS AND IMPACT

Investigations help address specific allegations and can also identify opportunities to strengthen controls, processes, or guidance, even when an allegation is not substantiated.

Internal Audit Strategic Plan Update

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Strategic Plan Update - Focus Areas

People
Build a capable and engaged team

Attract, develop, and retain a high-performing team with the skills, flexibility, and mindset needed to address current and emerging risks.

Methodology
Enhance audit quality and consistency

Strengthen our audit methodology and processes to increase quality, drive efficiency, and deliver clear, insightful, and constructive reporting.

Technology
Leverage data and emerging tools

Expand the use of data analytics, automation, and emerging technologies to enhance audit effectiveness and efficiency.

Engagement
Strengthen stakeholder relationships

Increase proactive, ongoing engagement with institutional leadership and key stakeholders to align audit work with institutional priorities and emerging risks.

A STRONGER, MORE RESILIENT AUDIT FUNCTION

These focus areas position Internal Audit to be more effective, efficient, and responsive to the institution’s evolving needs.

Strategic Plan Update - Next Steps

People
Build a capable and engaged team

1. **Advance development priorities**
   Implement targeted training and professional development plans.
2. **Strengthen team capabilities**
   Continue building skills in data analytics, emerging risks, and communication.
3. **Support succession and knowledge sharing**
   Document key processes and cross-train team members.

Methodology
Enhance audit quality and consistency

1. **Finalize and implement enhancements**
   Fully integrate updated methodologies, templates, and quality practices.
2. **Refine client experience practices**
   Continue midpoint check-ins, pre-exit discussions, and post-audit surveys.
3. **Evaluate and improve**
   Use lessons learned to further streamline processes and enhance reporting.

Technology
Leverage data and emerging tools

1. **Expand use of analytics**
   Identify additional audit areas where data analytics can enhance risk assessment and testing.
2. **Advance emerging technology capabilities**
   Explore and pilot AI-enabled tools to improve efficiency and insight.
3. **Strengthen data governance and access**
   Continue to build data access, management, and security practices.

Engagement
Strengthen stakeholder relationships

1. **Continue leadership engagement**
   Maintain and expand recurring engagement with institutional leaders.
2. **Enhance communication and transparency**
   Share insights on emerging risks and how Internal Audit adds value.
3. **Use insights to inform the next strategic plan**
   Assess progress, gather stakeholder feedback, and refine priorities for the next planning cycle.

OUR GOAL Build on our progress to further strengthen the audit function and maximize its value to the institution.

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