



Middle Tennessee State University Board of Trustees Audit and Compliance Committee

Tuesday, November 12, 2024

MEC Meeting Room – 2nd Floor
Miller Education Center
503 East Bell Street
Murfreesboro, Tennessee 37132



**Middle Tennessee State University
Board of Trustees
Audit and Compliance Committee**

Tuesday, November 12, 2024

AGENDA

Call to Order and Opening Remarks

Roll Call

Approval of Minutes (Action)Tab 1

Quarterly Report – Results of Internal Audit Reports (Information).....Tab 2

External Reviews (Information)Tab 3

1. Tennessee Department of Finance & Administration, Office of Criminal Justice Programs Monitoring Report Regarding Middle Tennessee State University STOP contract #51664, September 12, 2024
2. TN Department of Health, Compliance & Ethics Office, October 10, 2024

Closing Remarks

Adjourn Public Session

Non-Public Executive Session – Discussion of Cyber Security, and
Audits/Investigations (Information)

Adjourn Non-Public Session



**Middle Tennessee State University
Board of Trustees**

Audit and Compliance Committee

Action Item

SUBJECT:

Approval of Minutes

PRESENTER:

Tom Boyd
Committee Chair

BACKGROUND INFORMATION:

The Audit and Compliance Committee met on August 20, 2024. Minutes from the meeting are provided for review and approval.

**MIDDLE TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES**

**AUDIT AND COMPLIANCE COMMITTEE
MINUTES**

The Audit and Compliance Committee met on Tuesday, August 20, 2024 in the MEC Meeting Room in the Miller Education Center at Middle Tennessee State University.

Call to Order and Opening Remarks

Committee Chair Tom Boyd called the meeting to order at 10:57 a.m. and welcomed everyone in attendance.

Roll Call

The following Committee members were in attendance: Trustees J.B. Baker, Tom Boyd, Bill Jones, Christine Karbowski Vanek, Mary Martin, Steve Smith, Pam Wright, and Shaylaine Roker. A quorum was declared present.

President Sidney A. McPhee; Mark Byrnes, University Provost; Joe Bales, Vice President for University Advancement; Andrew Oppmann, Vice President for Marketing and Communications; Yvette Clark, Vice President for Information Technology and Chief Information Officer; Khalilah Doss, Vice President for Student Affairs; Alan Thomas, Vice President for Business and Finance; Leah Ladley, Chief Audit Executive; James Floyd, University Counsel and Board Secretary; and, Kim Edgar, Assistant to the President and Chief of Staff were also in attendance.

Approval of Minutes - Action

The first agenda item was approval of the minutes from the May 21, 2024 Audit and Compliance Committee meeting. Trustee Jones moved to approve the minutes from the May 21, 2024 meeting and Trustee Baker seconded the motion. A voice vote was taken and, with all Committee members voting "Aye," the motion to approve the minutes from the May 21, 2024 meeting of the Audit and Compliance Committee carried unanimously.

Annual Report for Audit and Consulting Services - Action

The 2024 Annual Report for Audit and Consulting Services, which includes the audit plan for fiscal year 2025 was presented by Mrs. Ladley for approval. Trustee Baker moved to approve the Annual Audit Plan for 2025 and Trustee Jones seconded the motion. A voice vote was taken and, with all Committee members voting “Aye,” the motion to approve the Annual Audit Plan for 2025 was carried unanimously.

Quarterly Report – Results of Internal Audit Reports – Information

Mrs. Ladley reported an investigation was completed with no internal controls noted. She also reported the Fiscal Year 2024 Cash Count and Fiscal Year 2024 Inventory audits were completed with no internal control concerns noted.

Results of External Reviews – Information

Mrs. Ladley stated there have been no external audit reports issued since the last meeting of the Audit and Compliance Committee.

Non-Public Executive Session

The Committee adjourned the public session at 11:01 a.m. and entered non-public executive session at 11:03 a.m. to discuss risk assessment reports, cybersecurity, and audits and investigations. The non-public executive session adjourned at 11:46 a.m. The public session reconvened at 11:48 a.m. for the final agenda item.

Risk Assessment Reporting - Action

Mr. Drew Harpool, Associate Vice President for Business and Finance and Assistant Vice President Office of Compliance and Enterprise Risk Management, stated that annually the university must present risk assessments and report the risk assessments to State Audit. The risk assessments are presented to the Committee for review and approval prior to submission to State Audit. Trustee Wade moved to approve the 2024 Risk Assessment Reports and Trustee Vanek seconded the motion. A voice vote was taken and, with all committee members voting “Aye”, the motion to approve the 2024 Risk Assessment Reports was carried unanimously.

Adjournment

With no further business, the Committee adjourned at 11:49 a.m.

Respectfully submitted,

Audit and Compliance Committee

DRAFT



**Middle Tennessee State University
Board of Trustees**

Audit and Compliance Committee

Information Item

DATE: As of October 25, 2024

SUBJECT: **Quarterly Report – Results of
Internal Audit Reports**

PRESENTER: Leah Ladley
Chief Audit Executive

BACKGROUND INFORMATION:

MTSU Policy 70 Internal Audit section IX.F requires significant results of internal audit reports be presented to the Audit and Compliance Committee quarterly.

Since the last meeting of the Audit and Compliance Committee, there have been no internal audit reports fully finalized and issued.

The current status of the Internal Audit Plan for Fiscal Year 2025 is included for the Committee's review.

**Middle Tennessee State University
Internal Audit Plan
Fiscal Year Ended June 30, 2025
as of October 25, 2024**

Type	Area	Audit Project	Current Status	Report Date
R	FM	Year-End Inventory FY24	Complete	7/29/2024
R	FM	Cash Counts FY24	Complete	7/24/2024
R	GV	Audit of President's Office Expenses	Draft Report Prepared for ACC	
I	AA	INV2403	referred to Comptroller's Office	
I	FM	INV2404	In Progress - initiated April 2024	
I	FM	INV2405	In Progress - initiated April 2024	
I	AT	INV2406	Complete	7/23/2024
I	SS	INV2501	In Progress - initiated September 2024	
I	SS	INV2502	In Progress - initiated September 2024	
I	AD	INV2503	referred to Comptroller's Office	
A	FM	P-Card Compliance Review	Identified	
C	FM	Cash Processes in Select Areas	Identified	
F	GV	State Audit Assistance/Follow-Up	Project Throughout Year	
C	GV	General Consultation/Risk Assessment	Project Throughout Year	
R	FM	Cash Counts FY25	Scheduled	
R	FM	Year-End Inventory FY25	Scheduled	
R	GV	Audit of President's Office Expenses	Scheduled	

<p>Audit Types: A - Risk-Based (Assessed) C - Consulting F - Follow-up Review I - Investigation M - Management's Risk Assessment P - Project (Ongoing or Recurring) R - Required S - Special Request</p>	<p>Area = University Division AA - Academic Affairs AD - Advancement AT - Athletics FM - Financial Management GV - Governance/Executive Office IT - Information Technology MC - Marketing and Communications SS - Student Services</p>
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**Middle Tennessee State University
Board of Trustees**

Audit and Compliance Committee

Information Item

DATE: As of October 25, 2024

SUBJECT: **Results of External Reviews**

PRESENTER: Leah Ladley
Chief Audit Executive

BACKGROUND INFORMATION:

- 1. Tennessee Department of Finance & Administration, Office of Criminal Justice Programs (OCJP) Monitoring Report Regarding Middle Tennessee State University (MTSU) STOP contract #51664 was issued September 12, 2024.**

Staff from the OCJP fiscal unit conducted a financial desk review on August 21, 2024. Monitoring included the contract for fiscal year ending June 30, 2024. Objectives of the review included the reliability of internal controls, the reliability of financial reporting, testing of costs and services as allowable and eligible, and verification of contractual compliance. A monitoring review is substantially less in scope than an audit.

No findings of noncompliance were identified.

2. Tennessee Department of Health (TDH), Compliance & Ethics Office Report regarding Middle Tennessee State University grant # Z-23-269920-01, ELC Grant Support of Tennessee Colleges and Universities to Promote Healthy Behaviors Related to Infection Prevention by Improving Their Health Service Centers, was issued on October 10, 2024.

The TDH Grant Monitoring Team conducted a desk review on June 18, 2024. The purpose of the review was to evaluate the status of a going concern, assess internal controls, verify program objectives were being met, and that civil rights requirements were also being met. Testing financial and programmatic reporting, allowable and eligible costs and services, and contractual compliance were also included in the review.

The monitoring review revealed no material exceptions.