



# **Middle Tennessee State University**

## **Board of Trustees**

### **Fall Quarterly Board Meeting**

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**Tuesday, September 12, 2023**  
**1:00 p.m.**

**MEC Meeting Room – 2nd Floor**  
**Miller Education Center**  
**503 East Bell Street**  
**Murfreesboro, Tennessee 37130**





**Middle Tennessee State University  
Board of Trustees**

**Quarterly Board Meeting**

Tuesday, September 12, 2023  
1:00 p.m.

**AGENDA**

**Call to Order**

**Pledge of Allegiance**

**Introduction of Student-Veteran**

**Welcome and Opening Remarks**

**Roll Call**

**Minutes**..... Tab 1  
June 20, 2023 Summer Board Meeting

**Academic Affairs, Student Life and Athletics Committee Report  
and Recommendations**..... Tab 2

- 1. Approval of Academic Department Merger

**Audit and Compliance Committee Meeting Report and Recommendations** ..... Tab 3

- 1. Annual Report for Audit and Consulting Services
- 2. Risk Assessment Reporting

**Executive and Governance Committee Meeting Report and Recommendations**..... Tab 4

- 1. Review and Approval of 2023 Self-Evaluation Instrument
- 2. Authorization to Administer the Board’s Biennial Self-Evaluation Prior to the November 2023 E&G Committee Meeting

**Finance and Personnel Committee Meeting Report**

**Permanent Appointment of Chief Audit Executive**..... Tab 5

**President's Report**

**Closing Remarks**

**Adjournment**



**Middle Tennessee State University  
Board of Trustees**

MEETING: Summer Quarterly Board Meeting

SUBJECT: **Minutes of June 20, 2023  
Summer Quarterly Board Meeting**

PRESENTER: Chairman Steve Smith

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**Background Information**

Approval of minutes of June 20, 2023 Summer Quarterly Board Meeting



**MIDDLE TENNESSEE STATE UNIVERSITY**  
**BOARD OF TRUSTEES**  
**MINUTES**

The Middle Tennessee State University Board of Trustees met on June 20, 2023, in the Miller Education Center Meeting Room at Middle Tennessee State University.

**Call to Order and Pledge of Allegiance**

Board Chair Steve Smith called the meeting to order at 1:00 p.m. Lt. Gen. (Ret.) Keith Huber led the Pledge of Allegiance.

**Introduction of Student Veteran**

Gen. Huber introduced Air Force Veteran, Staff Sergeant Clinton Gregory, who served for six years on active duty as a member of the special police where was military working dog handler. In this role, he performed considerable work with the Secret Service, DEA, and Homeland Security for distinguished visitors and special events protection. In 2019, Mr. Gregory left the Air Force and enrolled at MTSU in the aerospace program. He plans to graduate in December with a Bachelor of Science in aerospace with a professional pilot concentration. Mr. Gregory thanked MTSU for its support of veterans and spoke of the transition from the regimented military life to the structure that veterans must establish on their own. He praised the Charlie Daniels Center for the assistance it provides him and his fellow veterans.

**Recognition of the Equestrian and Stock Horse Teams**

Chairman Smith recognized Coach Ariel Higgins and members of the Equestrian Team and Coach Andrea Rego and members of the MTSU Stock Horse Team for their accomplishments. The Equestrian Team competes on the flat, over fences, Western horsemanship, riding and reining. Over the years, the Equestrian Team has over twenty (20) individual national champions and this year won the coveted Western National Championship trophy at the 2023 Intercollegiate Horse Shows Association National Championship for the first time. The Stock

Horse Team is a sports club organization that competes in and hosts collegiate, youth, and amateur ranch horse competitions. Disciplines include ranch trail, ranch riding, and ranch reining classes. They are two-time DII national champions, one-time DI national champions, one-time DI reserve national champions, and three-time DII reserve national champions. President McPhee joined in offering congratulations to both teams.

### **Resolution**

On behalf of the Board of Trustees and President McPhee, Chairman Smith shared a tribute to the late Joey Jacobs. Chairman Smith expressed that Joey was a distinguished executive, with a vast array of accolades and accomplishments, earned during his more than 45-year involvement in Nashville's dynamic and expansive health care community. More importantly, Joey was a devoted husband, father and grandfather, considering his family to be his greatest success.

Joey was born on June 30, 1953, in the small, rural community of Morrison, TN, as the third child of Carl and Muriel Casey Jacobs. Growing up with his siblings; Douglas, Mike and Abbe, in Warren County, Joey developed a pride and love for his hometown, staying connected throughout his life and spending countless hours on his farm, instilling a love for the land and livestock with his grandchildren. Joey enrolled at Middle Tennessee State University where he pursued a Bachelor's degree in Accounting and graduated in 1975. The following year he married Debbie, the love of his life, and began his family, where they raised two sons, Brent and Scott. Brent and his wife Katie expanded the Jacobs family tree with three children, Emmaline, Joey Kate and Hunt, who loved joining their grandfather on adventures at the family farm.

Following graduation, Joey began his professional career in the health care industry when he joined Hospital Corporation of America (HCA), one of America's leading providers of health care services. For the next 21 years, he served the company in variety of roles, ultimately serving as President of HCA's Tennessee division, where he was responsible for the company's operations, including four psychiatric hospitals. A meeting with long-time health care industry icon, Clayton



McWhorter, encouraged Joey's entrepreneurial nature to join in founding Psychiatric Solutions, Inc., where he served as President, CEO and Chairman. Under Joey's leadership, the company grew to a more than \$2 billion business before being acquired by United Health Services. Not one to sit on the sidelines, Joey joined Acadia Healthcare, serving as Chairman and CEO until his retirement. Following his time at Acadia, Joey was elected to the Board of Directors of Cumberland Pharmaceuticals, where he served as Lead Independent Director and Chair of the Board's Governance and Nominating Committee.

A recipient of many University honors and awards, including the Champion of Free Enterprise Award from the College of Business, Joey was a dedicated alumnus of his alma mater. At MTSU, he served in a variety of volunteer roles and responsibilities, including the MTSU Foundation Board of Trustees, the Blue Raider Athletic Association and the Jennings A. Jones College of Business Dean's Advisory Council. In 2016, Governor Bill Haslam selected him to serve on the inaugural Board of Trustees for Middle Tennessee State University. Deeply committed to seeing his alma mater fulfill its potential, Joey's leadership was instrumental in the University's highly successful, \$105 million, Centennial Campaign. His philanthropic support enhanced and expanded programs across campus from Athletics to the College of Business, where he established the Joey A. Jacobs Chair of Excellence in Accounting.

His commitment to his community was broad, as he was actively involved as a board member of the Monroe Carrell, Jr. Children's Hospital at Vanderbilt, served as Chair of the Nashville Health Care Council, was a director for both the Federation of American Hospitals and the National Association of Psychiatric Health Systems. He also was a minority owner of the Nashville Predators.

With all his personal and professional success, Joey considered himself a "county boy that done good." His traditional values and his commitment to family and community are the cornerstones of Joey's remarkable life and career. Middle Tennessee State University is better because of his outstanding dedication, commitment, and support.

### **Roll Call**

Board Secretary James Floyd called the roll. The following trustees were in attendance: J.B. Baker, Tom Boyd, Drew Carpenter, Rick Cottle, Pete DeLay, Bill Jones, Stephen Smith, Chris Karbowskiak, and Pam Wright. A quorum was declared.

President Sidney A. McPhee; Mark Byrnes, University Provost; Joe Bales, Vice President for University Advancement; Yvette Clark, Interim Vice President for Information Technology and Chief Information Officer; Deb Sells, Vice President for Student Affairs and Vice Provost for Enrollment and Academic Services; Andrew Oppmann, Vice President for Marketing and Communications; James Floyd, University Counsel and Board Secretary; and Kim Edgar, Executive Assistant to the President and Chief of Staff, were also in attendance.

### **Approval of April 4, 2023, Meeting Minutes – Action**

Trustee Delay made the motion to approve the minutes from the April 4, 2023, meeting, and Vice Chair Karbowskiak seconded the motion. A voice vote was taken, and the motion was approved unanimously.

### **Committee Report: Academic Affairs, Student Life, and Athletics**

Committee Chair Pam Wright reported that the Academic Affairs, Student Life, and Athletics Committee met on May 23, 2023. The Committee approved the minutes from the March 14, 2023, meeting. The Committee report contained two action items, which were unanimously approved for the Board's consideration. Information items included a report on applications and enrollment activity, a Faculty Senate presentation, a presentation by Student Trustee Carpenter, and an Athletics update. Materials outlining these actions were made available for review prior to the Board meeting and are contained in the Board notebooks.

### **Tenure and Promotion Candidates – Action**

Provost Byrnes reported to the Committee that faculty members applied for tenure and/or promotion in September 2022. They have been reviewed by their department chair/school director, department/school committee, college committee, college dean, provost, and president as stipulated by MTSU Policies 204 Tenure and 205 Promotion of Tenured and Tenurable Faculty along with their respective college and department policies. The president and university provost recommended that these faculty be granted tenure and/or promotion effective August 1, 2023. The Committee unanimously approved the thirty-five (35) candidates recommended for tenure and sixty-seven (67) candidates for promotion.

### **Academic Degree Program, Bachelor of Science in Cybersecurity Management – Action**

In accordance with MTSU Policy 251 Approval of Academic Programs, Units, and Modifications, all academic actions that require review and approval by THEC must be approved by the Board of Trustees. The Committee unanimously approved the new degree program.

### **Motion**

Trustee Wright made the motion to approve the action items recommended by the Committee and Trustee Boyd seconded the motion. A voice vote was taken and the motion to approve the action items carried unanimously.

### **Committee Report: Audit and Compliance Committee**

Committee Chair Tom Boyd reported that the Audit and Compliance Committee met on May 23, 2023. The Committee approved the minutes from its March 14, 2023, meeting. The Committee report contained no action items. Information items presented included a report on Independence of Chief Audit Executive; results of External Reviews: Tennessee Division of Claims and Risk Management Letter Report issued April 11, 2023; and the quarterly report – results of internal audit reports.

The public meeting of the Committee was adjourned, and the Committee went into executive session to discuss audits and investigations.

Materials outlining this information were made available for review prior to the Board meeting and are contained in the Board notebooks.

### **Committee Report: Finance and Personnel Committee**

Trustee DeLay reported that the Finance and Personnel Committee met on May 23, 2023. The Committee approved the minutes from its March 14, 2023, meeting. The Committee report contained eight action items, which were unanimously approved for consideration by the Board. Materials outlining these actions were made available for review prior to the Board meeting and were contained in the Board notebooks.

### **Approval of Revisions to Policy 641 Student Fees, Incidental Charges, and Refunds – Action**

Revisions to Policy 641 included a change in the calculation of the Regional Scholars Program tuition rate and a change in the applicability of the eRate. The Committee unanimously approved the revisions to Policy 641.

### **Capital Outlay Project Submittal – Action**

Bill Waits, Assistant Vice President for Campus Planning, presented the proposed MTSU capital outlay request for FY 2024-2025, which includes the new academic building project that will provide academic classrooms, class labs, faculty and staff offices, and support space for selected Liberal Arts departments and the associated Center for Innovation and Leadership, History Museum, and MTSU archives and exhibit spaces. The Committee unanimously approved the proposed capital outlay request for FY 2024-25.

### **Capital Disclosures – Action**

Mr. Waits also presented plans to submit five projects as part of the 2024-20254 Capital Budget Request, which includes a public-private partnership for Student Housing, Student-Athlete

Enhancement Center Addition, EV Charging Stations, New Parking Structure, and a renovation to the Student Recreation Center. The Committee unanimously approved the recommended capital disclosures.

### **Capital Maintenance Projects Submittal – Action**

Joe Whitefield, Assistant Vice President for Facilities Services, presented the request submittal to THEC which includes capital maintenance requests for thirteen projects for FY 2024-2025 totaling \$17,400,000.00 and a summary of capital maintenance project requests for an additional four years, FY 2025-2026 through FY 2028-2029. The Committee unanimously approved the capital maintenance projects submittal.

### **Approval of Proposed Tuition, Fees, and Housing Rates – Action**

Alan Thomas, Vice President for Business and Finance, presented this report. For 2023-2024, THEC approved binding ranges for undergraduate in-state tuition and the combined undergraduate in-state tuition plus mandatory fees at 0-3% in alignment with the Governor's Budget. The Committee reviewed the recommendation for a 2.6% increase in undergraduate, graduate, and out-of-state tuition rates. In addition, increases to five (5) mandatory fees were recommended. The annual increase in tuition and mandatory fees for an undergraduate in-state student taking 15 credit hours would be \$240, or a 2.5% overall increase, in compliance with THEC's combined range. A proposed 3% increase in housing rates was also reviewed. for

The committee approved all proposed increases to tuition, fees, and housing rates, with an amendment to increase the athletic fee. The amendment provided for an additional \$23 in the athletic fee to be used specifically for athletic capital projects. With this addition, the annual increase in tuition and mandatory fees for an undergraduate in-state student taking fifteen (15) credit hours will be \$286, or a 2.98% overall increase, still in compliance with THEC's combined range.

Trustee DeLay noted that public notice of the proposed increases to tuition and mandatory fees was properly given and that public comments were received and made available for review consistent with Tennessee Code Annotated § 49-7-1603.

### **Compensation Plan – Action**

The compensation plan was presented by Kathy Musselman, Assistant Vice President for Human Resources. The Governor’s Budget provided partial funding of \$6.1 million in recurring funding for a 5% salary pool. The estimated cost to fully fund a 5% salary pool for the university was \$9.4 million. The University administration recommended using the salary funding received by the State to provide employees with a cost-of-living adjustment (COLA), which equates to a 3.2% increase with a \$1,250 minimum. This allows employees earning \$39,062 or less to receive the \$1,250 increase while other employee increases will be based on 3.2% of their annual salary. Additional salary increases, whether through market adjustments or a merit system, or a combination of both, will be brought to the Committee at the November meeting once fall enrollment numbers have been finalized. The Committee unanimously approved the compensation proposal.

### **Operating Budgets – Action**

The estimated budget is the final budget for the fiscal year and reflects adjustments needed for spring enrollment, additional funding provided through state appropriations, and other miscellaneous adjustments. The July budget is a base budget for the upcoming fiscal year and is based on a 2.5% tuition increase and includes mandatory fee increases, salary and operating appropriation increases approved by the General Assembly for 2023-24, and a flat enrollment. Vice President Thomas presented in detail both the 2022-2023 estimated budget and the 2023-2024 proposed budget.

### **Motion**

Trustee DeLay made the motion to approve the action items recommended by the Committee and Trustee Boyd seconded the motion. Discussion ensued involving comments received. In

particular, the Student Government Association's (SGA) correspondence that outlined concerns about the increases in tuition and fees in the current economic climate along with promoting student input through presentation of proposed increases to the SGA. The SGA proposed a three-year phase in of the athletic fee increase.

Vice Chair Karbowski expressed that she considers it a good practice to engage with the SGA on proposed fee increases in that it allows for transparency and further discussion with the student body representatives around why increases are required. She observed that we fell short regarding the athletic fee increase. President McPhee indicated that he met with the SGA President and explained our process. He acknowledged that the SGA should have been given a heads up on the athletic fee increase and promised that in the future, like all other increases, we will follow that practice.

Trustee Wright shared her opinion on the SGA's proposed phase in of the athletic fee which led for her to present a motion to amend. Her motion called for \$23 of the athletic fee increase to be phased in over a three-year period: 2023-24, 2024-25, and 2025-26. Vice Chair Karbowski seconded the motion. Discussion followed with all the Trustees expressing their respective opinions on the additional \$23 increase and various aspects of the project, including renovation of the Murphy Center noting the many roles the building performs for the university and the broader community. A roll call vote was taken and the motion to amend failed. Next, a voice vote was taken on the original motion and the motion to approve the action items carried unanimously.

### **Introduction of Faculty Trustee - Information**

Chairman Smith announced this was Trustee Cottle's final meeting as the Board's Faculty Trustee and commended Trustee Cottle as being an outstanding representative of his peers. Trustee Cottle thanked everyone for the opportunity to work with them and to expand his understanding of how the University works.

President McPhee introduced Dr. Mary Martin to the Board of Trustees as the new Faculty Trustee selected by the University Faculty Senate. Dr. Martin is no stranger to the Board as she previously served as the faculty trustee. Dr. Martin is a Professor in the Department of Mathematical Sciences. She has a Bachelor of Science in Mathematics from MTSU, and she studied Commutative Ring Theory while earning her Master's and PhD at the University of North Carolina at Chapel Hill. In her 20+ years at MTSU, Dr. Martin has taught undergraduate and graduate courses, managed multiple federal grants to benefit Tennessee middle and high school teachers, and she served as the Faculty Senate President during the year of transition to the new Board.

#### **Appointment of Student Trustee - Action**

Chairman Smith recognized Drew Carpenter for his service as the 6<sup>th</sup> MTSU Student Trustee and wished him well in his future endeavors. Trustee Carpenter thanked the Board, faculty, staff, and students for his opportunity to serve. He stated that it has been a fantastic 12 months serving on the board, and hoped that he brought some student perspective to the conversation and provided a student voice on the Board.

Article 4.5 of the Board bylaws notes that the appointment of student representatives will be for a term of one year. President McPhee gave a summary of the selection process for Student Trustee. The process is managed by the Office of the Vice President for Student Affairs and the Student Government Association. Applications are submitted to the Student Government Association (SGA) Office. The SGA Executive Board reviews the applications and selects applicants to be interviewed. After interviews are conducted of the selected candidates, the three finalists' applications are sent to the Office of the President. President McPhee then personally interviews the top three applicants and makes a recommendation for the Board.

President McPhee recommended Ms. Molly Mihm as the next Student Trustee. Molly has completed her undergraduate degree and is pursuing her graduate degree in Public Health.



Academically, Molly is a high achieving student, excelling in the classroom as well as being active with in organizations both on and off campus. She will be a terrific representative of our student body in her work with the Trustees.

### **Motion**

Trustee DeLay made the motion to accept the recommendation of Ms. Molly Mihm as the student representative for the MTSU Board of Trustees and Trustee Wright seconded the motion. A voice vote was taken and the motion to approve the action item carried unanimously.

Chairman Smith recognized Ms. Mihm. He also invited her to join any committee she is interested in joining.

### **Report of the President**

President McPhee thanked the Board for the opportunity to give updates on matters at the University relative to Fall 2023.

President McPhee shared that as of June 1, new freshmen applications are up 1574 students, a 13% increase compared to last year. Freshman newly admitted for the fall are up by 408, a 5% increase, and we are pleased, knowing that community college enrollment has declined significantly, that new transfer applications are up by 122 students, a 5.1% increase. He noted that this just did not happen by accident, but is the result of a lot of work in partnership with community colleges. As a result, transfer newly admitted students for fall are up by 40 students, a 2.5% increase.

CUSTOMS Orientation sessions are underway for both freshman and transfers. Registrations for CUSTOMS remain strong, reflecting the increases in newly admitted freshmen and transfers. And our earliest check on actual enrollments for new undergraduates shows that we are above

where we were at this point last year for most of our recruitment territories. In sum, most admission variables are pointing in positive directions.

With regards to graduate students, there is a challenge. President McPhee stated that as of June 9, enrollment for our graduate students is down by 198 students, a 12.3% decline. The Graduate School and the Provost are actively working on this issue. He also shared that graduate students tend to enroll at the very last moment, which has been the trend for years, and we have seventy (70) days until the start of classes. He is optimistic that our numbers will be above last year's, and we will continue to work very hard as a staff and faculty.

President McPhee commended the efforts and hard work of our recruiters, faculty, program directors, and the office of student affairs. They have done a tremendous job in light of the declining enrollment across the country. He stated that numerous higher education articles reference this decline as the enrollment cliff. For MTSU to be at least holding our own at this point, he is very pleased.

President McPhee also shared that that the MTSU undergraduate teacher preparation program was recognized by the National Council on Teacher Quality (NCTQ) among the best in the nation in preparing future elementary teachers to teach children to read, earning an A+ distinction in Council's new report entitled Teacher Prep Review: Strengthening Elementary Reading Instruction. Our program is among just forty-eight (48) nationwide and two (2) in Tennessee highlighted by NCTQ for going above and beyond the standards set by literacy experts for coverage of the most effective methods of reading instruction—often called the “science of reading.” President McPhee offered his congratulations to Interim Dean Rick Vanosdall and his colleagues for this outstanding recognition.

President McPhee shared that on May 8, Chairman Smith and he, along with individuals from the College of Education and Executive Director David Mansouri from the State Collaborative on Reforming Education (SCORE) formally announced a partnership, the Tennessee Teach Back

Initiative. An innovative program to recruit prospective teachers from school districts within high-needs, rural areas of the state, train them at MTSU's College of Education, and return them to teach in their local communities. He recognized Chairman Smith along with Tracy and Bill Frist for their roles in helping develop this program.

Lastly, Dr. McPhee recognized three incredible members of the True Blue family who have announced their retirements: Debra Sells - Vice President for Student Affairs and Vice Provost for Enrollment Services; Diane Snodgrass - Interim Chief Audit Executive - Audit and Consulting Services ; and Sarah Sudak - Associate Vice President for Student Affairs and Dean of Students. He shared that their combined service at MTSU is nearly one hundred (100) years and that the impact of their dedication to MTSU's success will never be forgotten. He expressed that it was his honor to say thank you for the foundation they have laid through the incredible work they have done to make the University what it is today.

As a follow up to his Tennessee Teach Back Initiative comments, President McPhee stated that the goal in the first year is to recruit twenty (20) to fifty (50) students and to have fifty (50) to one hundred (100) students in each subsequent year. He stated this would make a significant difference over a period of time. A key is continued and enhanced financial support. He referred to a conversation he had with the chairman of the State Board of Education, inviting him to our campus to learn about the program and to hopefully provide some support. This program could very well be transformative.

### **Closing**

In closing, Chairman Smith echoed President McPhee's comments on the Tennessee Teach Back Initiative. He stated that if our goal is to change lives, nobody can change more lives than teachers. If we produced two hundred (200) teachers who then go to rural areas and teach and change lives, which will be more transformative than any other program we have. It will change thousands of lives in line with our mission. He then thanked staff and faculty for their efforts.

**Adjournment**

Chairman Smith adjourned the meeting at 2:18 p.m.

Respectfully submitted,

James C. Floyd, Board Secretary

Draft



**Middle Tennessee State University  
Board of Trustees**

MEETING: Fall Quarterly Board Meeting

SUBJECT: **Academic Affairs, Student Life, and Athletics Committee**

DATE: September 12, 2023

PRESENTER: Pam Wright  
Committee Chair

- 
- Approval of Academic Department Merger





**Middle Tennessee State University  
Board of Trustees**

**Action Item**

MEETING: Fall Quarterly Board Meeting  
DATE: September 12, 2023  
SUBJECT: **Approval of Department Merger**

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**BACKGROUND INFORMATION:**

University Policy 251, Approval of Academic Programs, Units, and Modifications, states all academic actions that require review and approval by THEC must be approved by the Board of Trustees.

A proposal to merge the Department of Global Studies and Human Geography and the Department of Political Science and International Relations is attached for approval.

The combined department will be named **Political and Global Affairs** effective May 13, 2024.





## Implementation Date

May 13, 2024

## Overview of the Requested Modification

Middle Tennessee State University requests approval to merge two academic departments:

- Global Studies and Human Geography
- Political Science and International Relations

The combined department will be named **Political and Global Affairs**.

This merger does not entail any program discontinuances. The combined department will be the successor to the two constituent departments, thus retaining all tenure rights afforded to faculty and inheriting all obligations (financial, service, etc.) incurred by the constituent departments.

## Associated Academic Programs: Majors and Certificates

| 2020 CIP      | Major Name                         | Award  |
|---------------|------------------------------------|--------|
| 03.05.0102.00 | United States Culture & Education  | 2.1 C3 |
| 21.30.2001.00 | Global Studies and Human Geography | 2.5 BS |
| 28.45.0901.00 | International Affairs              | 4.2 MA |
| 28.45.0901.00 | International Relations            | 2.5 BA |
| 28.45.0901.00 | International Relations            | 2.5 BS |
| 28.45.1001.00 | Political Science                  | 2.5 BA |
| 28.45.1001.00 | Political Science                  | 2.5 BS |

## Associated Academic Programs: Minors

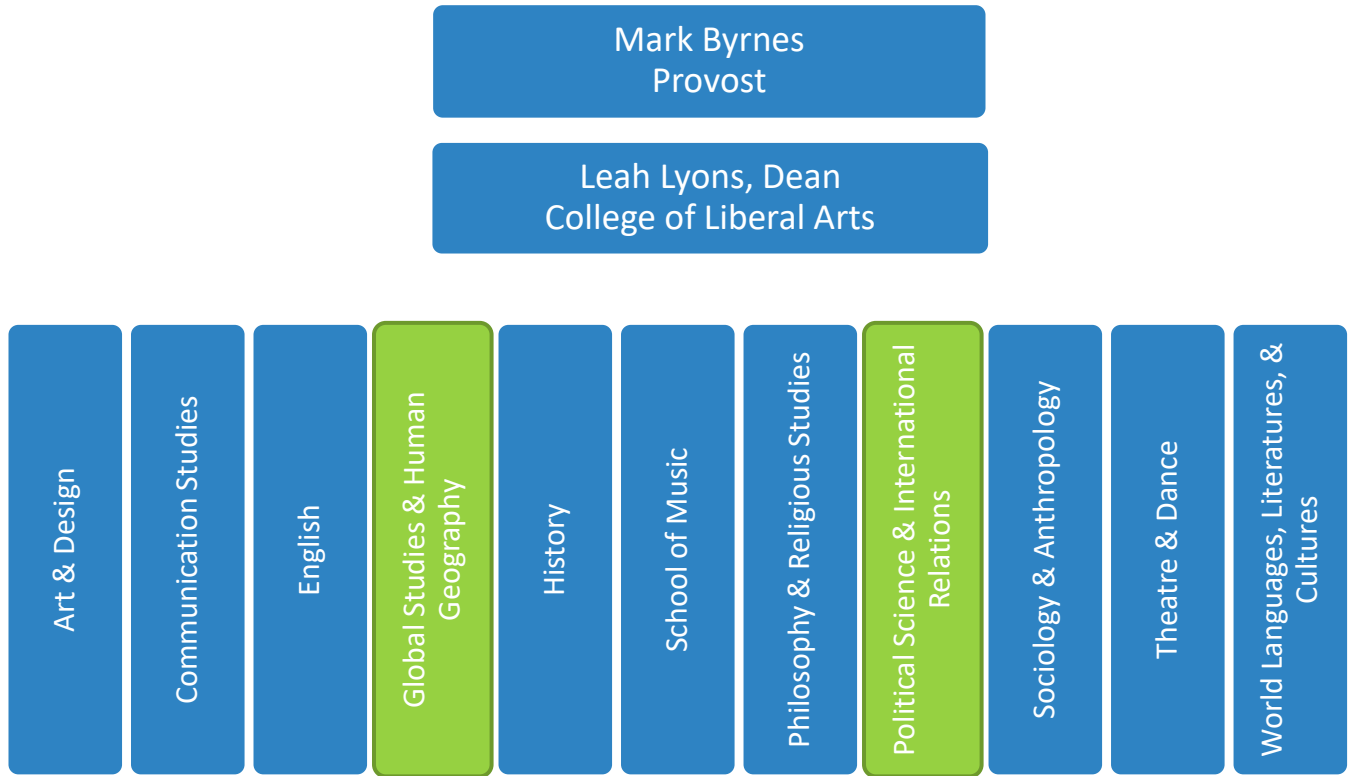
| Minor Name                                     |                                |
|--|--------------------------------|
| African Studies                                | Political and Civic Engagement |
| Cultural Geography                             | Political and Social Thought   |
| Geography                                      | Political Science              |
| Global Action and Non-Gov Organizations (NGOs) | Political Science Pre-Law      |
| Global Studies                                 | Public Policy and Management   |
| International Relations                        | Russian Studies                |
| Paralegal Studies                              | Urban Studies                  |

## Cost Analysis

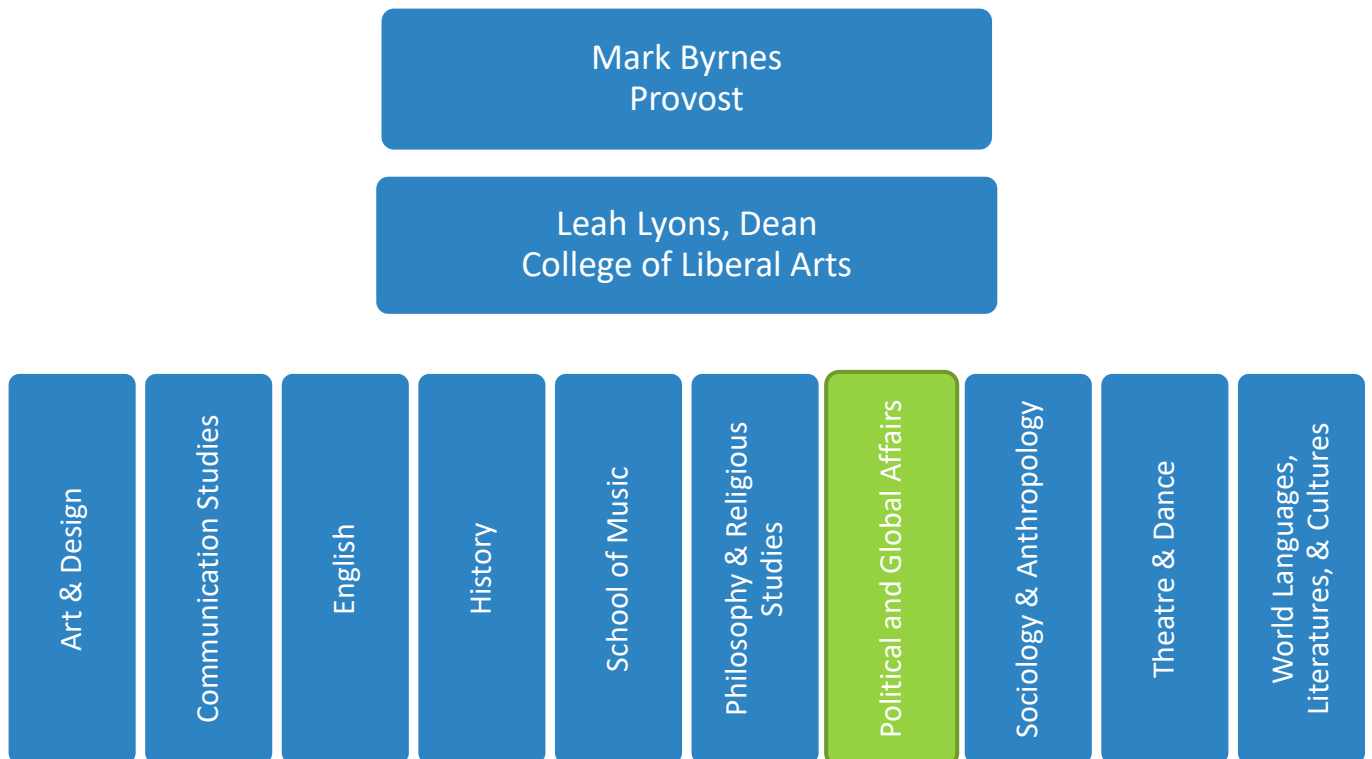
The merger of the Departments of Political Science & International Relations and Global Studies & Human Geography streamlines the reporting structure and creates efficiencies; thus, we anticipate no new budget allocation for the merged department.



## Current Organization Chart



## Post-merger Organization Chart







**Middle Tennessee State University  
Board of Trustees**

MEETING: Fall Quarterly Board Meeting

SUBJECT: **Audit and Compliance Committee**

DATE: September 12, 2023

PRESENTER: Tom Boyd  
Committee Chair

- 
- Annual Report for Audit and Consulting Services
  - Risk Assessment Reporting





**Middle Tennessee State University  
Board of Trustees**

**Action Item**

MEETING: Fall Quarterly Board Meeting

DATE: September 12, 2023

SUBJECT: **Annual Report for Audit and Consulting Services**

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**BACKGROUND INFORMATION:**

TCA 49-14-102 along with the MTSU Board of Trustees Bylaws and Policy on Board Committees requires an annual comprehensive report on the internal audit function be submitted for the Board's review. The report is submitted for the Board's review.

MTSU Policy 70, Internal Audit, Section VII.C. requires approval of the audit plan by the Audit and Compliance Committee. The Internal Audit Plan for Fiscal Year 2024 is included on page 6 of the annual report and is presented to the Board for approval.







## **Audit and Consulting Services**

### **Annual Report Fiscal Year 2023**

**Audit and Consulting Services  
Middle Tennessee State University  
Murfreesboro, TN 37132**

**Audit and Consulting Services**  
Middle Tennessee State University  
1301 East Main Street  
Murfreesboro, TN 37132  
Office: 615-898-2914 • Fax: 615-904-8046



July 31, 2023

MTSU Board of Trustees  
Audit and Compliance Committee

and

Dr. Sidney A. McPhee, President  
Middle Tennessee State University  
1301 East Main Street  
Murfreesboro, TN 37132

Trustees and Dr. McPhee:

Enclosed is the annual report for Audit and Consulting Services for the 2023 fiscal year. An annual report of audit work is required by TCA 49-14-102 and the Bylaws and Policies of the MTSU Board of Trustees. The Board Committee policy requires a comprehensive report on the internal audit function to the Board through the Audit and Compliance Committee at a stated meeting. The report includes the status of the 2023 annual audit plan noting the audits completed, in progress, and scheduled but not completed.

The report also includes an update on the fraud awareness activities and investigations along with a report of the financial resources of Audit and Consulting Services.

This report fulfills the annual reporting requirements and provides information to the Board of Trustees concerning the 2023 audit efforts of Audit and Consulting Services. The report also includes the annual audit plan for the 2024 fiscal year. This report is intended solely for the internal use of Middle Tennessee State University and the MTSU Board of Trustees. It is not intended to be and should not be used for any other purpose.

Respectfully submitted,

A handwritten signature in black ink that reads "Diane B. Snodgrass".

Diane B. Snodgrass, CPA  
Interim Chief Audit Executive

**Middle Tennessee State University  
Audit and Consulting Services  
Annual Report for Fiscal Year 2023**

**Introduction:**

TCA 49-14-102 and the Bylaws and Policies of the MTSU Board of Trustees require an annual report of audit work. The Board Committee policy requires a comprehensive report on the internal audit function to the Board through the Audit and Compliance Committee (ACC) at a stated meeting.

**Audit Effort:**

Audit and Consulting Services tracks audit effort by type of project and by university division. The majority of audit effort was in investigations and required audits within the following divisions: Financial Management and Governance. Page two of the report includes details and charts of audit effort. The status of the 2023 audit plan is located on page three.

**Fraud Awareness:**

When allegations of improper or dishonest acts by an employee, outside contractor or vendor are received, an investigation is required. Four reviews were opened during the year. Two projects were administratively closed and one audit report was issued. Five projects in progress will be included on the FY 2024 audit plan. Additional information is located on page four.

**Resources:**

The current budget of \$463,763 is adequate to fulfill the current responsibilities. Details of the current budget and actual expenses for the past two years are located on page five.

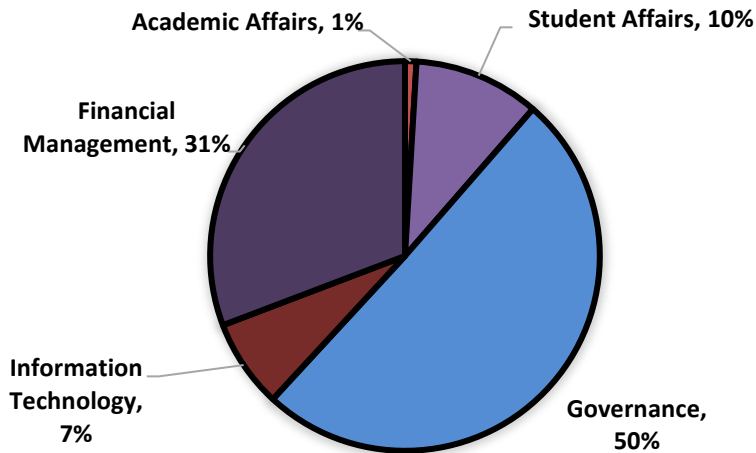
**Planned Audit Efforts for 2024:**

Along with the audits in progress and required audits, the planned audit effort for 2024 includes four departmental/procedural reviews. The audit plan for 2024 is located on page six.

## AUDIT EFFORT

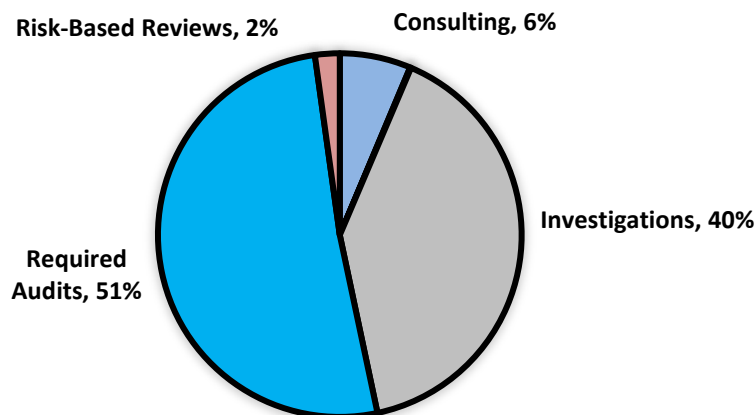
Audit and Consulting Services tracks audit effort by type of project and by university division as shown with the following charts. For the chart Audit Effort by Division, Governance includes the President's Division and general institutional support. The majority of audit effort (81%) focused on projects within Financial Management and Governance.

### AUDIT EFFORT BY DIVISION



The type of audit work performed is defined by the source of the request or purpose of the audit work. Required audits (51%) are the result of a third party request or agreement that an audit or review be performed. This audit effort included the annual audit of the President's Office which is required by state law. The year-end reviews of inventory and cash counts are also included in this audit effort. Investigations represented 40% of the audit effort. Investigations are performed at the request of management or with the receipt of a hotline complaint of possible fraud, waste, or abuse. Consulting (6%) represented efforts responding to general audit questions, assisting management with an audit concern and the Conflict of Interest Committee work.

### AUDIT EFFORT BY TYPE OF AUDIT



**Middle Tennessee State University  
Internal Audit Plan  
Fiscal Year Ended June 30, 2023  
as of June 30, 2023**

| Type | Area | Audit Project                              | Current Status                    | Audit Results        |
|------|------|--|-----------------------------------|----------------------|
| R    | FM   | Year-End Inventory FY2022                  | Completed 7/28/2022               | No Reportable Issues |
| R    | FM   | Cash Counts FY2022                         | Completed 7/28/2022               | No Reportable Issues |
| R    | GV   | Audit of President's Office                | Completed 11/18/2022              | No Reportable Issues |
| R    | AT   | Football Attendance 2022                   | Completed 4/13/2023               | No Reportable Issues |
| I    | SS   | INV1702                                    | In Progress                       |                      |
| I    | AA   | INV1705                                    | In Progress                       |                      |
| I    | AA   | INV1801                                    | In Progress                       |                      |
| I    | SS   | INV2201                                    | In Progress                       |                      |
| I    | FM   | INV2301-Special Review of Sick Leave Banks | Completed 11/29/2022              | 2 Recommendations    |
| I    | IT   | INV2302                                    | Administratively Closed 3/10/2023 | No Reportable Issues |
| I    | FM   | INV2303                                    | Administratively Closed 4/28/2023 | No Reportable Issues |
| I    | SS   | INV2304                                    | In Progress                       |                      |
| P    | GV   | IIA - Self Assessment & QAR                | In Progress                       |                      |
| F    | GV   | State Audit Assistance/Follow-Up           | Project Throughout Year           |                      |
| C    | GV   | General Consultation/Risk Assessment       | Project Throughout Year           |                      |
| I    | GV   | Unscheduled Investigations                 | Scheduled                         |                      |
| R    | FM   | Cash Counts FY2023                         | In Progress                       |                      |
| R    | FM   | Year-End Inventory FY2023                  | In Progress                       |                      |
| A    | IT   | Risk/Controls: Vendor Provided Services    | In Progress                       |                      |
| A    | MC   | Marketing & Communications                 | Scheduled                         |                      |
| A    | FM   | Payroll                                    | Scheduled                         |                      |
| A    | AA   | Research Services Procedural Review        | Scheduled                         |                      |
| A    | FM   | Property Management Contract Review        | Scheduled                         |                      |

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

## FRAUD AWARENESS

The University is committed to the responsible stewardship of resources and is required by state law to provide a means by which employees, students or others may report suspected or known improper or dishonest acts. Audit and Consulting Services manages the reporting process by which students, employees, taxpayers or other citizens may confidentially report suspected illegal, improper, wasteful or fraudulent activity. (TCA 49-14-103)

The "Fraud Awareness" brochure is a communication tool given to new employees that explains the reporting expectations and options for any individual who suspects improper or dishonest acts involving university employees, outside contractors or vendors. The "Fraud Awareness" information is also located on the Audit and Consulting Services webpage and includes an on-line reporting form.

When Audit and Consulting Services receives allegations of improper or dishonest acts by an employee, outside contractor or vendor, it is required to conduct an investigation. The purpose of the investigation or review is to determine if the allegation or concern is substantiated or unsubstantiated and if there are any internal control weaknesses or risks that management should address. If the allegation or concern is substantiated and corrective action is needed, an audit report is issued. A review is administratively closed with a memo to the file if the concern is unsubstantiated or referred to management or there are no recommendations for corrective action.

Below is a summary of the reviews pertaining to concerns of possible improper or dishonest acts.

|   |                 |
|---|-----------------|
| Reviews brought forward from prior year | 4               |
| New reviews opened during year          | 4               |
| Projects in Progress During the Year    | <u>8</u>        |
| Less Report Issued                      | (1)             |
| Less Administratively Closed            | <u>(2)</u>      |
| Reviews in Progress at June 30, 2023    | <u><u>5</u></u> |

In 2023, four new reviews of possible improper or dishonest acts were opened which equals the three year average of four reviews per year. New reviews for the past three years were: seven in 2022, three in 2021, and one in 2020.

The report issued was for the Special Review of Faculty and Non-Faculty Sick Leave Banks which was performed after it appeared sick leave bank hours from both banks had been awarded without proper approval; donated leave had been improperly awarded; and the balance in both sick leave banks had not been maintained on a current basis. Based on the review performed the concerns were substantiated. Management terminated the responsible employee and took corrective action to improve the operation, processes, recordkeeping, and oversight of the sick leave banks.

Two projects were closed because the complaints were not substantiated as fraud, waste or abuse and there were no recommendations to improve the control environment. The projects in progress will be included in the 2024 annual audit plan.

## RESOURCES

As defined in the MTSU Audit and Compliance Committee Charter, the Audit and Compliance Committee is responsible for ensuring Audit and Consulting Services has adequate resources in terms of staff and budget to effectively perform its responsibilities. The following is the estimated budget for 2023-2024 compared to the actual expenses of the prior two fiscal years.

|                                    | <b>Estimated Budget (1)</b> | <b>Actual Expenses</b>   | <b>Actual Expenses</b>   |
|------------------------------------|-----------------------------|--------------------------|--------------------------|
|                                    | <b>2023-2024</b>            | <b>2022-2023</b>         | <b>2021-2022</b>         |
| Salaries:                          |                             |                          |                          |
| Chief Audit Executive              | \$ 108,496                  | \$ 17,164                | \$ 108,495               |
| Assistant Director                 | 72,656                      | 72,646                   | 68,973                   |
| Internal Auditors, 2 Professionals | 94,329                      | 50,634                   | 47,746                   |
| Support Staff                      | 31,315                      | 31,341                   | 28,272                   |
| Professional Extra Compensation    | -                           | 39,075                   | -                        |
| Longevity for Staff                | 6,100                       | 5,900                    | 8,700                    |
| Benefits                           | 138,484                     | 104,327                  | 125,220                  |
| Total Salaries and Benefits        | <u>\$ 451,380</u>           | <u>\$ 321,087</u>        | <u>\$ 387,406</u>        |
| Travel                             | 5,000                       | -                        | 80                       |
| Operating Expenses                 | 7,383                       | 4,291                    | 3,147                    |
| Total Budget/Expenses              | <u><u>\$ 463,763</u></u>    | <u><u>\$ 325,378</u></u> | <u><u>\$ 390,633</u></u> |

(1) The Estimated Budget for FY 2023-2024 will be finalized in October 2023.

The 2023-2024 budget for Audit and Consulting Services is adequate and includes funding for three unfilled audit positions.

**Middle Tennessee State University  
Internal Audit Plan  
Fiscal Year Ended June 30, 2024  
as of July 31, 2023**

| Type | Area | Audit Project                           | Current Status          | Audit Results |
|------|------|---|-------------------------|---------------|
| R    | FM   | Year-End Inventory FY2023               | In Progress             |               |
| R    | FM   | Cash Counts FY2023                      | In Progress             |               |
| R    | GV   | Audit of President's Office             | In Progress             |               |
| R    | AT   | Football Attendance 2023                | Scheduled               |               |
| I    | SS   | INV1702                                 | In Progress             |               |
| I    | AA   | INV1705                                 | In Progress             |               |
| I    | AA   | INV1801                                 | In Progress             |               |
| I    | SS   | INV2201                                 | In Progress             |               |
| I    | SS   | INV2304                                 | In Progress             |               |
| P    | GV   | IIA - Self Assessment & QAR             | In Progress             |               |
| F    | GV   | State Audit Assistance/Follow-Up        | Project Throughout Year |               |
| C    | GV   | General Consultation/Risk Assessment    | Project Throughout Year |               |
| I    | GV   | Unscheduled Investigations              | Scheduled               |               |
| R    | FM   | Cash Counts FY2024                      | Scheduled               |               |
| R    | FM   | Year-End Inventory FY2024               | Scheduled               |               |
| A    | IT   | Risk/Controls: Vendor Provided Services | In Progress             |               |
| A    | MC   | Marketing & Communications              | Scheduled               |               |
| A    | FM   | Payroll                                 | Scheduled               |               |
| A    | AA   | Research Services Procedural Review     | Scheduled               |               |
| A    | FM   | Property Management Contract Review     | Scheduled               |               |

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





**Middle Tennessee State University  
Board of Trustees**

**Action Item**

MEETING: Fall Quarterly Board Meeting  
DATE: September 12, 2023  
SUBJECT: **Risk Assessment Reporting**

---

**BACKGROUND INFORMATION:**

Section 9-18-104 of the Financial Integrity Act requires institutions of higher education to prepare and provide a management assessment of risk to the State of Tennessee’s Commissioner of Finance and Administration and to the Comptroller of the Treasury by December 31 annually.

For 2023, the university-wide risk and control activities were updated for the President’s Division and the Information Technology Division.

Similar to MTSU’s risk assessment reporting of 2022, the risk assessment documents are designated as confidential and are discussed in the non-public executive session of the Committee. The university-wide risk assessment reports for 2023 are presented to the Board for approval prior to the reports’ submission to the State.





**Middle Tennessee State University  
Board of Trustees**

MEETING: Fall Quarterly Board Meeting

SUBJECT: **Executive and Governance Committee**

DATE: September 12, 2023

PRESENTER: Steve Smith  
Committee Chair

- 
- Review and Approval of 2023 Self-Evaluation Instrument
  - Authorization to administer the Board’s Biennial Self-Evaluation prior to the November 2023 Executive and Governance Committee Meeting





**Middle Tennessee State University  
Board of Trustees**

**Action Item**

MEETING: Fall Quarterly Board Meeting

DATE: September 12, 2023

SUBJECT: **Review & Approval of 2023 Self-Evaluation Instrument**

---

**BACKGROUND INFORMATION:**

The Middle Tennessee State University accreditation body, Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), requires a governing board to define and regularly evaluate its responsibilities and expectations. Standard 4.2.g. As evidence of compliance with that standard, SACSCOC recommends a regular board self-evaluation. The Executive and Governance Committee is responsible for overseeing the performance of the Board of Trustees and, as such, is charged with preparation of the Board's self-evaluation instrument.



## Middle Tennessee State University Board of Trustees Self-Assessment

**Part I.**

*Please indicate your response to the following questions by marking the appropriate box. Space is provided at the end of the survey for comments.*

|  | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|--|----------------|-------|---------|----------|-------------------|
| Prior to their first Board meeting, Board members received adequate information to understand MTSU’s mission and structure.  |                |       |         |          |                   |
| Board members understand their roles and responsibilities as members of a governing board.   |                |       |         |          |                   |
| The Board understands its role in setting policy and by its actions demonstrates that it appropriately defers to the administration the responsibility to administer and implement policy. |                |       |         |          |                   |
| The Board Bylaws and Board policies make clear the duties of the Board.  |                |       |         |          |                   |
| Board members understand and adhere to a code of ethics and avoid any perception of potential conflicts of interest.   |                |       |         |          |                   |
| Board committees have clear and appropriate responsibilities.  |                |       |         |          |                   |
| The committee structure is working well.   |                |       |         |          |                   |
| Meeting agendas and materials are sent in sufficient time prior to meetings.   |                |       |         |          |                   |
| Board members adequately study issues, agendas and materials prior to Board meetings   |                |       |         |          |                   |
| The Board conducts its meeting in compliance with Tennessee Open Meetings Act.   |                |       |         |          |                   |
| Board meetings are conducted in an orderly, efficient manner.  |                |       |         |          |                   |

|   | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|----------------|-------|---------|----------|-------------------|
| Board members engage in open communication and productive engagement during meetings.   |                |       |         |          |                   |
| Decisions are made on the basis of study of all available background data and consideration of the recommendations of the administration. |                |       |         |          |                   |
| The Board demonstrates a concern for the success of all students.   |                |       |         |          |                   |
| The Board is knowledgeable about the educational programs and services offered at MTSU.   |                |       |         |          |                   |
| The Board understands the fiscal condition of the institution and the budget process.   |                |       |         |          |                   |
| The Board is appropriately involved in, and understands, the budget process.  |                |       |         |          |                   |
| The Board actively supports the institution's foundation and fundraising efforts.   |                |       |         |          |                   |
| The Board helps promote the image of MTSU in the community.   |                |       |         |          |                   |
| The Board understands the importance of regional and program accreditation  |                |       |         |          |                   |
| The Board has open and effective communications with the president.   |                |       |         |          |                   |
| The Board and the president have a positive, cooperative relationship.  |                |       |         |          |                   |







## Trustee Review of Self-Evaluation Instrument

Subsequent to the August 15, 2023, Executive and Governance Committee, Trustees Boyd (blue edits) and Martin (green edits) independently submitted proposed edits to the self-evaluation instrument, which are reflected below.

In addition, Trustee Martin presented the following comments for consideration:

- 1) Use a scale that has an even number of elements rather than odd number. This is consistent with updated assessment recommendations for small groups. Neutral responses hide some accuracy in small groups.
- 2) Review Board policy/by-laws to ensure the evaluation process is codified in policy.
- 3) Aggregate questions into categories to improve individual response accuracy (i.e. provide focus and context for answers to questions). From the THEC/AGB training I would suggest the following categories and arrange the questions into the appropriate category. The order of the categories is not critical in my mind but best order should be considered. - 1)Board Structure and Practice, 2)Fiduciary and Resource Oversight, 3) Mission and Strategic Development, 4) Institutional Finance and Reputation, 5) Board/Institution Communications.
- 4) Consider the addition of suggested questions at end of this document and from others before/during meeting.
- 5) Going forward, some substantive subset of these questions should remain unchanged in order to provide some longitudinal context.



# Markup of Self-Evaluation Instrument

## Middle Tennessee State University Board of Trustees Self-Assessment

**Part I.**

*Please indicate your response to the following questions by marking the appropriate box.*

*Space is provided at the end of the survey for comments.*

|   |   | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|---|----------------|-------|---------|----------|-------------------|
| 1 | <del>Prior to their first Board meeting,</del> Board members <del>received</del> <u>regularly receive</u> <del>adequate</del> information to understand MTSU's mission, <del>and</del> structure, <u>current status and developing opportunities.</u> |                |       |         |          |                   |
| 2 | Board members understand their roles and responsibilities as members of a governing board.  |                |       |         |          |                   |
| 3 | The Board understands its role in setting policy and by its actions demonstrates that it appropriately defers to the administration the responsibility to administer and implement policy.  |                |       |         |          |                   |
| 4 | The Board Bylaws and Board policies make clear the duties of the Board.   |                |       |         |          |                   |
| 5 | Board members understand and adhere to a code of ethics and avoid any <u>actual or perceived</u> <del>perception of potential</del> conflicts of interest.  |                |       |         |          |                   |
| 6 | Board committees have clear and appropriate responsibilities.   |                |       |         |          |                   |
| 7 | The committee structure is working well.  |                |       |         |          |                   |
| 8 | Meeting agendas and materials are sent in sufficient time prior to meetings.  |                |       |         |          |                   |
| 9 | Board members adequately study issues, agendas and materials prior to Board meetings.   |                |       |         |          |                   |

|    |  |  |  |  |  |  |
|----|--|--|--|--|--|--|
| 10 | The Board conducts its meeting in compliance with Tennessee Open Meetings Act. |  |  |  |  |  |
| 11 | Board meetings are conducted in an orderly, efficient manner.                  |  |  |  |  |  |

|    |  | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|----|--|----------------|-------|---------|----------|-------------------|
| 12 | Board members engage in open communication and productive engagement during meetings.  |                |       |         |          |                   |
| 13 | Decisions are <u>guided by</u> <del>made on the basis of</del> <u>the</u> study of <del>all</del> available background data and consideration of the recommendations of the administration.                  |                |       |         |          |                   |
| 14 | The Board demonstrates a concern for the success of <del>all</del> students.<br><br>The Board demonstrates a concern for the success of all students <u>and for the well-being of the faculty and staff.</u> |                |       |         |          |                   |
| 15 | The Board is knowledgeable about the educational programs and services offered at MTSU.  |                |       |         |          |                   |
| 16 | The Board understands the fiscal condition of the institution and the budget process.  |                |       |         |          |                   |
| 17 | The Board is appropriately involved in, and understands, the budget process.   |                |       |         |          |                   |
| 18 | The Board actively supports the institution's foundation and fundraising efforts.  |                |       |         |          |                   |
| 19 | The Board helps promote the image of MTSU in the community.  |                |       |         |          |                   |
| 20 | The Board understands the importance of regional and program accreditation   |                |       |         |          |                   |
| 21 | The Board has open and effective communications with the president.  |                |       |         |          |                   |

|    |  |  |  |  |  |  |
|----|--|--|--|--|--|--|
| 22 | The Board and the president have a positive, cooperative relationship. |  |  |  |  |  |
|----|--|--|--|--|--|--|

Please consider some or all of these questions for future inclusion (now or later) in the self-evaluation. A recommended length for self-evaluation in the industry is 30 – 40 questions.

Q 23. The Board is active in and leads in the institutional mid-term and long-term planning for the University; this includes its participation in the strategic planning and accreditation process.

Q 24. The Board regularly compares MTSU status to specific benchmarks statistically developed from aspirational peer institutions as well as the benchmarks developed for LGI institutions.

Q 25. The Board reviews the long-term patterns of funding for each of the primary portions of the mission statement for MTSU: high quality education, scholarly activity, and community projects/support.

Q. 26. The Board maintains an understanding of the nature of MTSU’s mission and uses this understanding as well as societal and economic trends to formulate policy and long-term goals.

Q 27. The Board uses information from regular reporting structure to fundamentally ground policy; when necessary, the Board seeks out additional information from staff.

**Part II.**

*Provide your responses to the following questions. If additional space is needed, please continue your comments on an additional page(s) referencing the number of the question.*

1. What are the strengths of the Board? Consider in the context of maintaining and developing MTSU's Mission, Reputation, Strategic growth/size, Educational Quality and Fiscal Integrity.

2. What would you consider to be the Board's major accomplishments since ~~the 2021 self-evaluation~~ ~~its initial meeting?~~

What do you consider the University's major accomplishments since the last evaluation?

What would you consider to be the Board's major accomplishments since ~~its initial meeting in the last year (two years?)(Provide a list?)~~

3. What specific goals would you suggest the Board pursue for next year?

In accordance with the Bylaws of the Middle Tennessee State University Board of Trustees 3. Responsibilities of the Board, b.1. Provide insight and guidance to the University's strategic direction .... What strategic guidance would you suggest the University pursue, or what strategic insight would you provide to the University?

What specific ~~goals~~ issues or benchmarks would you suggest the Board pursue for next year?

4. Do you have any concerns in the way the Board now functions? If so, please identify the area(s) along with suggestions for improvement. Please indicate relative importance or significance.

5. What are areas for Board improvement and how can these be addressed?

6. Please provide any additional comments. Please use additional pages, if needed.





**Middle Tennessee State University  
Board of Trustees**

**Action Item**

MEETING: Fall Quarterly Board Meeting

DATE: September 12, 2023

SUBJECT: **Authorization to Administer the Board’s Biennial  
Self-Evaluation Prior to the November 2023  
Executive and Governance Committee Meeting**

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**BACKGROUND INFORMATION:**

The Executive and Governance Committee is charged with implementation of the regular cycle of Board self-evaluation. The Committee will direct the Board Secretary to administer the self-evaluation survey over a specified period, compile responses received, and report results to the Board Chair.

In August 2021, the Executive and Governance Committee established a recurring schedule for the administration of an evaluation of the Board’s responsibilities and expectations in compliance with SACSCOC Standard 4.2.g Board Self-evaluation.





**Middle Tennessee State University  
Board of Trustees**

MEETING: Fall Quarterly Board Meeting

SUBJECT: **Chief Audit Executive**

DATE: September 12, 2023

PRESENTER: Dr. Sidney A. McPhee  
President

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**BACKGROUND INFORMATION:**

Policy 808 – Compensation Reporting and Approvals – requires the appointment and salary recommendation of Vice Presidents or other executives reporting directly to the President be approved by the Board of Trustees.

The attached recommendation to permanently appoint Ms. Leah Ladley as Chief Audit Executive, as well as the salary request included, falls under this approval requirement and is therefore being presented to the Board of Trustees.




**Office of the President**

Middle Tennessee State University  
204 Cope Administration Building  
Murfreesboro, Tennessee 37132  
615-898-2622  
FAX: 615-898-2507



To: Mr. Steve Smith, Chairman, Middle Tennessee State University Board of Trustees  
Mr. Tom Boyd, Committee Chairman of the Audit and Compliance Committee  
Mr. Pete DeLay, Committee Chairman of the Finance and Personnel Committee

From: Sidney A. McPhee, President 

Subject: Appointment of the Chief Audit Executive

Date: August 30, 2023

I wish to recommend to the Board the appointment of Ms. Leah Ladley as the University's Chief Audit Executive.

Ms. Ladley is currently the Chief Auditor at the University of Oregon and has been there since 2020. Prior to her current position, Ms. Ladley was at St. Jude Children's Research Hospital for twelve years, including ten years as their Chief Audit Officer. Ms. Ladley has a proven record of success in the audit field and held the Chief Audit position at her last two employers. It is for these reasons that I recommend the appointment of Ms. Leah Ladley as University's Chief Audit Executive to the MTSU Board of Trustees with an annual salary of \$172,000 beginning no later than November 1, 2023.

If you have any questions or concerns, please let me know.

c: Dr. Christy Sigler, Interim Assistant to the President for Institutional Equity and Compliance  
Mr. Alan Thomas, Vice President for Business and Finance  
Ms. Kathy Musselman, Assistant Vice President for Human Resources



Office of the President  
Middle Tennessee State University  
204 Cope Administration Building  
Murfreesboro, Tennessee 37132  
615-898-2622  
FAX: 615-898-2507



August 30, 2023

Leah Ladley



Dear Ms. Ladley:

It is my intent to recommend to the MTSU Board of Trustees your appointment as the University's Chief Audit Executive. The next meeting of the MTSU Board of Trustees will be held on September 12<sup>th</sup>.

With your years of experience in the audit field, including the last few years in higher education, your breadth of knowledge will certainly be an asset in your new role. It is for this reason that I am recommending your appointment as Chief Audit Executive to the MTSU Board of Trustees with an annual salary of \$172,000 beginning no later than November 1, 2023.

If you have any questions or concerns, please let me know.

Sincerely,

A handwritten signature in blue ink that reads "Sidney A. McPhee".

Sidney A. McPhee  
President

c: Dr. Christy Sigler, Interim Assistant to the President for Institutional Equity and Compliance  
Mr. Alan Thomas, Vice President for Business and Finance  
Ms. Kathy Musselman, Assistant Vice President for Human Resource





# LEAH LADLEY

CPA, CIA, CFE, CRMA

## CONTACT



[Redacted]



[Redacted]



<https://www.linkedin.com/in/leahladley/>

## CAREER SUMMARY

Performing routine accounting functions for a publicly traded REIT taught me that what I really wanted to be was an internal auditor. I relocated to Memphis, TN for a position in internal audit and found my true professional calling. Supporting growth in the auditors with whom I work provides me personal satisfaction. Collaborating with management, executive leadership, and the board keeps my emotional intelligence sharp. Supporting compliance efforts protects the organization.

## SKILLS

- RISK IDENTIFICATION
- COMPLIANCE AND OPERATIONS
- TEAM COACHING
- STAFF DEVELOPMENT
- QUALITY ASSURANCE OF INTERNAL AUDIT
- PRESENTATIONS
- COLLABORATION
- NEGOTIATION
- INVESTIGATION
- REPORTING

## PROFESSIONAL EXPERIENCE

### University of Oregon

2020 – present – Chief Auditor

In addition to the responsibilities in my prior role, this position provides increased opportunities for providing ethics and internal controls training and interaction with a maturing Enterprise Risk Management program. Hotline responsibilities included investigations, collaborations, and, at times, delegations.

### St. Jude Children’s Research Hospital

2010 – 2020 – Chief Audit Officer

My chief audit officer role included staff support, development, and coaching, audit committee communications and presentations, and executive management collaboration. The risk assessment and development of the annual audit plan provided us assurance that we audited what mattered. Our internal quality assurance function and development of internal policies kept us aligned with the IIA Standards. Presentations to colleagues increased awareness of internal controls and internal audit services. Relationships with individual contributors, managers, directors, executives, and the board was essential when management accepted risks.

### St. Jude Children’s Research Hospital

2008 – 2010 – Senior Internal Auditor

Hired as a senior internal auditor, my contributions included performing project risk assessments, developing and executing audit programs, discussing observations with business units, and writing reports. Serving as the department Teammate Champion positioned me as the contact for systems issues and updates.

Prior experience – noted here:

<https://www.linkedin.com/in/leahladley/>

## EDUCATION

MBA, Mississippi College

BSBA, Mississippi College

Accounting concentration, math minor

