



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

---

Tuesday, November 15, 2022

MEC Meeting Room – 2<sup>nd</sup> Floor  
Miller Education Center  
503 East Bell Street  
Murfreesboro, Tennessee 37130





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

---

Tuesday, November 15, 2022

**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

Closing Remarks

Adjourn Public Session

Non-Public Executive Session – Discussion of Audits/Investigations (Information)





**Middle Tennessee State University  
Board of Trustees**

**Audit and Compliance Committee**

**Action Item**

DATE: November 15, 2022

SUBJECT: **Approval of Minutes**

PRESENTER: Pete DeLay  
Committee Chair

---

**BACKGROUND INFORMATION:**

The Audit and Compliance Committee met on August 16, 2022. 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 16, 2022 in the MEC Meeting Room in the Miller Education Center at Middle Tennessee State University.

**Call to Order and Opening Remarks**

Committee Chair Pete DeLay called the meeting to order at 10:15 a.m. and welcomed everyone in attendance.

**Roll Call**

The following Committee members were in attendance: Trustees J.B. Baker, Rick Cottle, Pete DeLay, Christine Karbowskiak, Steve Smith, Pam Wright, and Drew Carpenter. 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, 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; Diane Snodgrass, Interim 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. Kathy Thurman, Associate Vice President for Business and Finance, was in attendance for Alan Thomas, Vice President for Business and Finance.

**Approval of Minutes - Action**

The first agenda item was approval of the minutes from the May 24, 2022 Audit and Compliance Committee meeting. Trustee Smith moved to approve the minutes from the May 24, 2022 meeting and Trustee Wright seconded the motion. A voice vote was taken and, with all

Committee members voting “Aye,” the motion to approve the minutes from the May 24, 2022 meeting of the Audit and Compliance Committee carried unanimously.

### **Annual Report for Audit and Consulting Services - Action**

The 2022 Annual Report for Audit and Consulting Services which includes the audit plan for fiscal year 2023 was presented by Ms. Snodgrass for approval. Trustee Pam Wright moved to approve the Annual Audit Plan for 2023 and Trustee Karbowski seconded the motion. A voice vote was taken and, with all Committee members voting “Aye,” the motion to approve the Annual Audit Plan for 2023 carried unanimously.

### **Quarterly Report – Results of Internal Audit Reports – Information**

Ms. Snodgrass presented the results of three internal audit reports issued since the May 24, 2022 report of audit results to the Audit and Compliance Committee. 1) The special review of the Geosciences Department for the period August 1, 2018 to December 31, 2021 has been issued. Management has implemented corrective action to address the observations and recommendations noted in the audit report. 2) Audit of Inventories for Fiscal Year Ended June 30, 2022, which concluded the inventory counts were accurate with no reportable issues. 3) Cash Counts for Fiscal Year Ended June 30, 2022 were completed with no reportable issues.

### **Non-Public Executive Session**

The Committee adjourned the public session at 10:20 a.m. and entered non-public executive session at 10:22 a.m. to discuss risk assessment reports, audits and investigations. The non-public executive session adjourned at 10:39 a.m. The public session reconvened at 10:42 a.m. for the final agenda item.

### **Risk Assessment Reporting - Action**

Mr. Drew Harpool, Assistant Vice President Office of Compliance and Enterprise Risk Management stated that annually the university must present risk assessments and also 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 Baker moved to approve the



2022 Risk Assessment Reports and Trustee Karbowski seconded the motion. A voice vote was taken and, with all committee members voting “Aye”, the motion to approve the 2022 Risk Assessment Reports carried unanimously.

**Adjournment**

With no further business, the Committee adjourned at 10:42 a.m.

Respectfully submitted,  
Audit and Compliance Committee

DRAFT





**Middle Tennessee State University  
Board of Trustees**

**Audit and Compliance Committee**

**Information Item**

DATE: November 15, 2022

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

PRESENTER: Diane Snodgrass  
Interim 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 issued.

The current status of the Internal Audit Plan for Fiscal Year 2023 is included for the Committee's review.



**Middle Tennessee State University  
Internal Audit Plan  
Fiscal Year Ended June 30, 2023  
as of October 31, 2022**

| 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             | In Progress             |                      |
| R    | AT   | Football Attendance 2022                | In Progress             |                      |
| I    | SS   | INV1702                                 | In Progress             |                      |
| I    | AA   | INV1705                                 | In Progress             |                      |
| I    | AA   | INV1801                                 | In Progress             |                      |
| I    | SS   | INV2201                                 | In Progress             |                      |
| I    | FM   | INV2301                                 | 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                      | Scheduled               |                      |
| R    | FM   | Year-End Inventory FY2023               | Scheduled               |                      |
| A    | IT   | Risk/Controls: Vendor Provided Services | Scheduled               |                      |
| A    | MC   | Marketing & Communications              | Scheduled               |                      |
| A    | FM   | Payroll                                 | Scheduled               |                      |
| A    | AA   | Research Services Procedural Review     | Scheduled               |                      |
| A    | FM   | Property Management Contract Review     | Scheduled               |                      |

**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

**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





**Middle Tennessee State University  
Board of Trustees**

**Audit and Compliance Committee**

**Information Item**

DATE: November 15, 2022

SUBJECT: [External Reviews](#)

PRESENTER: Diane Snodgrass  
Interim Chief Audit Executive

---

**BACKGROUND INFORMATION:**

There have been no reports received from any external agencies since the last committee meeting.

However, it was reported to Audit and Consulting Services that Tennessee Department of Finance and Administration, Office of Criminal Justice Programs (OCJP) required MTSU to submit a Corrective Action Plan (CAP) due to the University submitting an invoice for STOP Grant #35499 after the final deadline. The late submission of the invoice was caused by staff turnover in positions associated with the grant.

OCJP approved the invoice for payment and required the University to submit a CAP in order to mitigate the risk of the error occurring in the future.

The CAP was provided on October 11, 2022 and OCJP responded the CAP was adequate and in compliance with OCJP requirements.

