

**MIDDLE TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES**

**AUDIT AND COMPLIANCE COMMITTEE
MINUTES**

The Audit and Compliance Committee met on Tuesday, February 27, 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 10:51 a.m. and welcomed everyone in attendance.

Roll Call

The following Committee members were in attendance: Trustees J.B. Baker, Tom Boyd, Mary Martin, Bill Jones, Steve Smith, Pam Wright, Christine K. Vanek, Michael Wade, and Molly Mihm. Trustee Pete Delay participated electronically and, pursuant to T.C.A. § 8-44-108(c)(3), he confirmed that he could hear clearly and no one was present in the room with him. A quorum was declared present.

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

Approval of Minutes – Action

The first agenda item was approval of the minutes from the November 14, 2023, Audit and Compliance Committee meeting. Trustee Smith moved to approve the minutes from the November 14, 2023, meeting and Trustee Vanek seconded the motion. A roll call vote was taken

and, with all Committee members voting “Aye,” the motion to approve the minutes from the November 14, 2023, meeting of the Audit and Compliance Committee carried unanimously.

Report of Conflict-of-Interest Disclosures in 2023 – Information

Mr. Drew Harpool, Associate Vice President for Business and Finance presented the 2023 report of the conflict-of-interest disclosures reviewed by the Conflict-of-Interest Committee. For 2023, there were eight conflicts of interest.

Review of President’s Statement of Disclosure of Interests for 2024 – Information

Mrs. Ladley presented the President’s Statement of Disclosure of Interests for 2024 for information and the Committee’s review, noting there were no changes from the disclosures made in 2023. Trustee Baker suggested that Suntrust should be changed to Truist in the Statement of Disclosure of Interests.

Report on Compliance with Public Records Policy - Information

Mr. Floyd presented the Report on Compliance with Public Records Policy, Policy 120. A summary of the number of records requests received in calendar year 2023 was provided for the Committee’s review. Mr. Floyd noted the university received 85 total requests which constituted a decrease of 41 fewer requests compared to the previous year. Trustee Vanek asked what is the typical reason that a request for information would be denied. Mr. Floyd stated most denials are from non-Tennessee citizen requests. Public Records are only available to Tennessee citizens. Other denials may relate to the nature of the information requested that may be confidential under state law. Those are not accessible to the public.

Results of External Reviews – Information

Mrs. Ladley reported the results of three external reviews. 1) The Tennessee Comptroller of the Treasury issued the financial and compliance audit for the fiscal year ended June 30, 2023. There were no audit findings, and the opinions of the financial statements were unmodified. Alan Thomas discussed the details of this external review with the committee. 2) The Tennessee Comptroller’s Office released the results of the NCAA agreed-upon procedures applied to the

statement of revenues and expenses of the athletics programs for the year ended June 30, 2023. There were no significant exceptions noted; a minor transposition error and an updating error in a schedule were noticed and corrected prior to the completion of the review. 3) The Tennessee Higher Education Commission (THEC) completed a compliance review of the TN Student Assistance Corporation for FY23 academic year. Because there were no findings in this audit, MTSU incurs no financial liability in the overall administration of the state financial aid programs for the year under review.

Quarterly Report – Results of Internal Audit Reports – Information

Mrs. Ladley reported there has been one audit report, three investigation memos, and Internal Audit self-assessment report issued since the last committee meeting. The Audit of the Office of the President for Fiscal Year 2023 was completed with no reportable issues. Three investigations initiated with your prior internal audit leaders have been completed with two resulting in improvements to the system of internal controls. A self-assessment of the internal audit processes to evaluate conformance to the Standards has been completed also. The status of the 2024 audit plan was included in the meeting materials for the Committee to review.

Non-Public Executive Session

The Committee adjourned the public session at 11:09 a.m. and entered non-public executive session at 11:11 a.m. to discuss cybersecurity, audits, and investigations. The non-public executive session adjourned at 11:31 a.m.

Respectfully submitted,

Audit and Compliance Committee