TENNESSEE BOARD OF REGENTS
Committee on Audit

August 25, 2015
AGENDA

I. **CONSENT AGENDA (Tammy Birchett)**
    a. **Review of Risk Assessments for Universities and Community Colleges – Enterprise-wide**
    b. **Review of Risk Assessments for Universities and Community Colleges – Indicated Major Processes**
    c. **Review of Revised Internal Audit Charters**

II. **INFORMATIONAL REPORTING (Tammy Birchett)**
    a. **Review of Comptroller's Office Audit Reports**
    b. **Update of Corrective Actions on Performance Audit Findings**
    c. **Review of Internal Audit Reports**

III. **REVIEW OF INTERNAL AUDIT YEAR-END STATUS REPORTS FOR FISCAL YEAR 2015 (Tammy Birchett)**

IV. **REVIEW OF FISCAL YEAR 2016 INTERNAL AUDIT PLANS (Tammy Birchett)**

V. **REVIEW OF HIRING FOR INTERIM INTERNAL AUDIT POSITION (Tammy Birchett)**

VI. **NON-PUBLIC EXECUTIVE SESSION (Tammy Birchett)**

DATE: August 25, 2015

AGENDA ITEM: **Review of Risk Assessments for**
                                                        Universities and Community Colleges –
                                                        Enterprise-wide

PRESENTER: Tammy Gourley

ACTION REQUIRED: Voice Vote

STAFF'S RECOMMENDATION: Accept Report

BACKGROUND INFORMATION:

The Committee will review and consider for approval the updated enterprise-wide risk assessments for the universities, community colleges and TBR system office. The TBR risk assessment process started in 2006 and calls for management to update the enterprise risk assessments annually. The Tennessee Board of Regents and its universities and community colleges will assess the risks of all identified major processes over a three-year period, with at least one-third of the major processes assessed annually.   This submission represents the first year in the current three-year cycle. A legend is included as the first page to assist with the review of the enterprise-wide risk footprints.

As part of this annual analysis, each institution's president provided a letter to the Audit Committee acknowledging responsibility for the operations and giving their opinion that the risk assessment was sufficiently comprehensive for the areas reviewed and supports the conclusions reached during the assessment. Each institution's internal auditor performed a limited review of the documents concluding on the adequacy of the extent of coverage, conclusions reached and level of documentation supporting the assessment.

The following descriptions explain the two levels of risk analysis currently used by TBR institutions. For each perspective, management considers identified risks for their potential impact on the institution and likelihood of occurrence, using factors of high, moderate or low, resulting in a risk factor that helps to rank the risks by significance.

Enterprise-wide perspective—an annual high level view of enterprise risk, organized by major activity areas, to give management a road map for performing activity-wide assessments.

Activity-wide perspective—a more detailed analysis of risk within a major process (activity). Major processes usually consist of several sub-processes, where risks are assessed. This step is followed by an assessment of controls in place at the sub-process level to mitigate the risks. If indicated, corrective action steps are developed by management to improve controls. After this phase, management monitors the controls periodically to ensure controls are in place. All major processes must be reviewed within a three year cycle.

The enterprise-wide risk assessments for the universities, community colleges and the system office are presented in this section.

Tennessee Board of Regents
Risk Assessment Footprint Legend

Risk Ranking Characteristics

Impact - Effect on the achievement of goals and objectives

H	High	= Showstopper/Cease operations for a period of time
M	Medium	= Inefficient or extra work
L	Low	= No effect

Probability - Likelihood of a risk occurring

H	High	= Will happen frequently
M	Medium	= Will happen infrequently
L	Low	= Will seldom happen

Risk Measurement/Outcome

HH, HM	🟥	= Extensive Risk Management & Considerable Risk Management (all Levels of Control* plus a traditional audit)
HL, MH	🟨	= Manage and Monitor (all Levels of Control but no traditional audit)
MM, ML, LH	🟩	= Monitor (only Execution Controls & Supervisory Controls)
LM, LL	⬜	= Accept (accept the risk and have no controls)

Use for Risk Management Plan

HH, HM	🟥	Audit work should be performed and the Division Director should perform the oversight controls to ensure that supervisory & execution controls are working.
HL, MH	🟨	The Division Director (or a designee) should perform oversight controls to ensure that the supervisory and execution controls are working.
MM, ML, LH	🟩	Unit heads reporting to the Division Director should perform oversight function to see that supervisory and execution controls are working.
LM, LL	⬜	Unit heads should ensure they are using supervisory controls to monitor the execution controls in their area.

Austin Peay State University
Enterprise Wide Risk Assessment
May 2015

		RISKS												
#	ACTIVITIES		1		2		3		4		5		6		7
1	Physical Plant	HM	Aging infrastructure	HM	Equipment failure	HL	Catastrophic disaster	HL	Fire	HL	Loss of key control	HL	Sinkholes collapse	MH	Failure to comply with Safety and Health regulations
6	Financial Management	HL	Failure to accurately and timely bill revenue sources.	HL	Improper or fraudulent significant payment (items $5,000 or greater)	HL	Long term loss of system, building and/or records	HL	Long term loss of system, building and/or records.	HL	Non-compliance with payroll laws (fair labor standards, IRS deposits, etc.)	MH	Employee Error	MH	Purchasing Fraud
4	Institutional Support	HL	Failure to develop, implement and communicate a strategic plan that links goals and objectives to the institution's mission and assigns responsibility.	HL	Failure to establish and communicate an organizational vision and mission statement	HL	False advertising or misinformation	MH	Failure to follow federal and state employment laws	MH	Student models in poor standing	MM	Breach of information and misinformation on APSU website	MM	Breach of NCAA rules of marketing
7	Student Services	HL	Inadequate security of student records	HL	Inflated/deflated enrollment numbers	MH	Budget constraints that affect recruiting, operating and staffing	MH	Inadequate space for student activities	MH	NCAA rule violation	MM	Academic misrepresentation	MM	Access by unauthorized individuals
2	Instruction and Academic Support	MH	Failure to include academic units in resource allocation	MH	Failure to submit reports in a timely manner	MH	Inadequate or ill-defined measurement / assessment of student learning outcomes	MH	Inadequate record-keeping	MH	Inadequate training of students in technology	MH	Lack of accurate academic reporting	MH	Lack of effective schedule management
8	Research	MH	Error in pre or post award	MH	Inattention by PI to financial obligations of grant	MM	Failure to control laboratory access	MM	Failure to meet OSHA standards	MM	Fraudulent time and effort reporting	MM	Improper storage or disposal of hazardous laboratory materials	MM	Inaccurate time and effort reporting
5	Ancillary & Auxiliary Enterprises	MM	Customer Service Issues	MM	Mail Distribution Errors	MM	Repair Issues	MM	Stocking Issues	ML	Adoption Issues	ML	Emergency Procedures Not Followed	ML	Equipment Failure
3	Information Technology	MM	Data corruption	MM	Failure to license technologies/software	MM	Losing access to internet	MM	Partial network shutdown	MM	Process does not run correctly	MM	Processes run slowly	MM	Security breach

Austin Peay State University
Enterprise Wide Risk Assessment
May 2015

#	ACTIVITIES		8		9		10		11		12		13		14
1	Physical Plant	MH	Inaccurate mapping of infrastructure	MH	Lack of storage space	MH	Outdated infrastructure	MM	Antiquated equipment	MM	Antiquated vehicles and equipment	MM	Chemical exposure	MM	Custodial Services performing inadequately
6	Financial Management	MM	Appropriate approvals are not documented for grant/contract purchases.	MM	Capital assets/controlled items are acquired by university departments and are improperly recorded.	MM	Data is improperly created, altered or deleted.	MM	Enrollment and registration processes do not provide appropriate tracking and processing of tuition and fees	MM	Erroneous financial transaction	MM	Failure by department to deposit cash in a timely manner	MM	Failure to follow APSU, State and TBR Policy and Procedures
4	Institutional Support	MM	Disseminating inaccurate information	MM	Failure of a vendor or staff to meet a deadline	MM	Failure to cultivate positive relationships with government, community, businesses and industries	MM	Failure to follow established policies and procedures	MM	Failure to maintain a safe/clean facility	MM	Failure to monitor and enforce trademark rights	MM	Failure to prevent loss or damage to University property
7	Student Services	MM	Breach of confidentiality	MM	Campus unaware of services	MM	Equipment failure/playground injuries	MM	Failure to be ADA compliant	MM	Failure to enforce policy and procedure	MM	Failure to establish restricted access to housing	MM	Failure to maintain/upgrade facilities
2	Instruction and Academic Support	MH	Lack of ongoing faculty development for new course content and technologies	MH	Lack of oversight of faculty recruitment	MH	Lack of standardization in tenure, promotion and retention criteria	MH	Lack of standardization of learning outcomes	MH	Lack of technical support	MH	Lack of training and monitoring of adjunct faculty	MH	Poor classroom utilization
8	Research	MM	Insufficient training or lack of access to financial reporting system	ML	Attacks or vandalism of research facilities	ML	Conflict of interest	ML	Emotional or physical injury to staff, students or subjects	ML	Failure to bill all costs	ML	Failure to care for animals	ML	Failure to comply with institutional policy
5	Ancillary & Auxiliary Enterprises	ML	Failure in Customer Service	ML	Failure of vendors to deliver food products .	ML	Failure to comply to established health codes	ML	Failure to investigate and resolve all complaints	ML	Failure to maintain clean and safe facilities	ML	Inadequate staffing to serve all students	ML	Ineffective marketing and public relations
3	Information Technology	ML	Failure to comply with university policies and state and federal regulations	ML	Full network shutdown	ML	Illegal use of campus computing resources	ML	Inability to keep up with growth and trends	ML	Inability to recover from major catastrophic events	ML	Inadequate virus protection	ML	Unable to restore data from backup

#	ACTIVITIES		15		16		17		18		19		20
1	Physical Plant	MM	Data entry error- insurance	MM	Data entry error- inventory	MM	Exposure to chemicals	MM	Failure to comply with EPA regulations, federal, state and local codes	MM	Failure to follow lab safety practices	MM	Failure to follow policies and procedures
6	Financial Management	MM	Improper 1099 reporting	MM	Improper classification or recording in accordance with accounting standards	MM	Inadequate documentation of expenses	MM	Lack of or inefficient transaction reporting systems	MM	Revenue not received due to inadequate collection process.	MM	Temporary electronic financial management system failure.
4	Institutional Support	MM	Failure to protect and maintain brand integrity	MM	Failure to provide adequate training for public safety staff	MM	Failure to provide safe conditions for stakeholders while in attendance at APSU sponsored events	MM	Failure to recognize capabilities, contributions, and accomplishments	MM	Failure to respond to legal process in a timely fashion	MM	Failure to timely respond to new trends in higher education
7	Student Services	MM	Failure to provide accurate and timely information to students	MM	Fraud	MM	Inability to respond to student needs	MM	Inadequate crisis intervention policy	MM	Inadequate or insufficient staffing	MM	Inefficient admission process
2	Instruction and Academic Support	MH	Unauthorized access to online databases (restricted access due to license agreements)	MH	Violation of copyright protections	MM	Discontinuity between student instruction and preparedness for the workforce and global society	MM	Failure to meet established student support standards	MM	Failure to provide relevant information in a timely manner	MM	Failure to submit complete reports
8	Research	ML	Failure to follow state and federal regulatory guidelines	ML	Failure to obtain proper permits	ML	Failure to pursue copyrights, patents or trademarks	ML	Failure to receive IRB or ACUC approval	ML	Failure to submit through grants office	ML	Fraudulent and/or misappropriated equipment purchases
5	Ancillary & Auxiliary Enterprises	ML	Maintain website	ML	Natural Disasters	ML	No power	ML	Not applying U.S. Postal Regulations	ML	Poor Quality of Work	ML	Poor Work Environment
3	Information Technology	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a

#	ACTIVITIES		RISKS 1		2		3		4		5
1	Health Affairs/COO & Academic Support (Including Grad Studies)	HH	Lack of adequate resources	HM	Failure to maintain appropriate confidentiality	HM	Inappropriate allocation of resources	HM	Inability to recruit and/ or retain qualified faculty	HM	Improper or incorrect data entry
3	Facilities	HH	Lack of emergency preparedness planning	HH	Reduced or Inadequate funding	HH	Inappropriate allocation of resources	HM	Aging infrastructure & unhealthy environment	HM	Inadequate master planning
2	President	HH	Lack of adequate resources	HM	Failure to identify and/or report fraud, waste, and abuse	HM	Inadequate strategic planning and alignment of budgets	HM	Inadequate decision making information	HM	Inappropriate allocation of resources
4	Provost/Academic Affairs Instruction & Academic Support (Including Grad Studies)	HH	Lack of adequate resources	HM	Inadequately prepared graduates	HM	Lack of adequate safety training in labs and instructional areas	HL	Failure to deliver scheduled courses	HL	Failure to meet accreditation standards
5	Technology Support-OIT & eLearning	HH	Failure to follow Code of Ethics and acceptable user policy	HH	Inadequate disaster recovery and back system	HM	Failure to follow appropriate ETSU, fed, and state regs	HL	Inability to deliver on and off campus instruction	HL	Inappropriate allocation of resources
7	Financial Management (including COM, F&A, Auxiliaries Management and Foundation Accounting)	HH	Non-compliance with Federal/State laws, regulations, and reporting	HM	Lack of or misappropriation of resources	HL	Unavailability of payment and/or financial system	MH	Misclassification of financial information	MH	Inadequate emergency response
6	University Wide Student Services (including COM, COP, & Aux)	HH	Inadequate funding or unanticipated costs	HM	Inadequate communication with students	HL	Lack of compliance with scholarship rules and regulations	MH	Inadequate or incomplete admissions procedures	MH	Errors in data entry
9	Research	HH	Unallowable, unallocable, and/or unreasonable costs	HM	Failure to follow Federal/State laws and regulations	HM	Loss of research due to shut-down, suspension, or debarment of institution or investigator	HM	Unsecured access to biohazards/radiation by untrained individuals	HM	False statements or certifications
8	Advancement and Alumni	HM	Poor relationship & communication with donors	HL	Confidentiality violations	HL	Failure to follow donor directives	HL	Failure to maintain accurate records	HL	Lack of compliance with fed, state and ETSU policies and procedures

#	ACTIVITIES		6		7		8		9		10
1	Health Affairs/COO & Academic Support (Including Grad Studies)	HM	Inadequate supervision of students (including out of state medical rotations)	HM	Inadequate preparation of graduates	HM	Infectious exposure	HM	Lack of adequate safety training in labs, instructional, and clinical areas	HL	Failure to meet accreditation standards
3	Facilities	HM	Terrorism and/or Natural Disasters	HL	Lack of or Inadequate campus facilities maintenance & security	HL	System failures	MH	Lack of quality transportation & parking planning	MH	Utility Outages
2	President	HL	Conflict of interest	HL	Inadequate departmental communications	MH	Non-compliance with established policies & procedures (ETSU, fed, state, athletic conference and NCAA etc.)	MH	Non-compliance with scholarship rules and regulations	MH	Workplace violence
4	Provost/Academic Affairs Instruction & Academic Support (Including Grad Studies)	HL	Inadequate curriculum	HL	Loss of records (security)	HL	Poor instruction	MH	Improper data entry	MH	Inability of students to graduate on time
5	Technology Support-OIT & eLearning	MH	Lack of equipment accountability & inventory control (including disposal)	MH	Failure to keep technology current systems	MM	Inappropriate balance of security and functionality	MM	Failure to respond appropriately to client needs	MM	Inadequate training for campus users
7	Financial Management (including COM, F&A, Auxiliaries Management and Foundation Accounting)	MH	Inadequate state funding	MH	Employee misconduct	MH	Late payments to vendors	MM	Breach of overall security systems	MM	Failure to monitor cash flows
6	University Wide Student Services (including COM, COP, & Aux)	MH	Failure to enforce student rules & regulations	MH	Inappropriate use of funds (student, state, fed)	MM	Failure to maintain adequate confidentiality	MM	Improper financial management	MM	Inadequate pre-enrollment counseling and academic advisement of students
9	Research	MH	Inaccurate or inflated budget	MM	Decrease in resource funding	MM	Inadequate or late reporting	MM	Breach of data security	MM	Noncompliance and/or misconduct
8	Advancement and Alumni	HL	Misappropriation of donor funds	HL	Poor investment decisions	MM	Failure to exercise due diligence upon acceptance of gift	MM	Lack of effective marketing	MM	Inadequate training for campus users

#	ACTIVITIES		11		12		13		14		15
1	Health Affairs/COO & Academic Support (Including Grad Studies)	HL	Inadequate curriculum	HL	Poor instruction	MM	Failure to adhere to appropriate policies & procedures	MM	Inability of students to graduate on time	MM	Inadequate advisement
3	Facilities	HL	Lack of adequate insurance coverage	MM	Loss of or incomplete records	MM	Inadequate staff training & pay	ML	Accidents & injuries	ML	Non-communication of problems
2	President	MM	Inadequate or inappropriate benchmarking	ML	Lack of compliance with open records laws	ML	Lack of workplace civility & poor climate	-	n/a	-	n/a
4	Provost/Academic Affairs Instruction & Academic Support (Including Grad Studies)	MM	Failure to adhere to appropriate policies & procedures	MM	Failure to maintain appropriate confidentiality	MM	Inadequate job performance	MM	Inadequate supervision of faculty, staff, & students	MM	Inappropriate faculty/staff/student behavior
5	Technology Support-OIT & eLearning	MM	Inadequate or inappropriate staffing (training & resources)	MM	Inappropriate use of resources	-	n/a	-	n/a	-	n/a
7	Financial Management (including COM, F&A, Auxiliaries Management and Foundation Accounting)	MM	Failure to obtain and distribute appropriate resources	MM	Loss of or failure to maintain appropriate records	MM	Lack of workflow communication	MM	Inappropriate use of financial resources	MM	Negligent hiring
6	University Wide Student Services (including COM, COP, & Aux)	ML	Failure to address health issues or intervene in life threatening behavior	ML	Inability to meet student demands	ML	Failure to properly manage/supervise high risk student activities (on and off campus)	ML	Unscheduled closures	ML	Unethical or unprofessional behavior
9	Research	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
8	Advancement and Alumni	ML	Poorly planned events	-	n/a	-	n/a	-	n/a	-	n/a

#	ACTIVITIES		16		17		18		19
1	Health Affairs/COO & Academic Support (Including Grad Studies)	MM	Inadequate job performance	MM	Inadequate supervision of faculty and staff	MM	Inappropriate faculty/staff/ student behavior	ML	Grade appeals
3	Facilities	ML	Poor construction project planning and management	LH	Radiation/Bio exposure in research labs	-	n/a	-	n/a
2	President	-	n/a	-	n/a	-	n/a	-	n/a
4	Provost/Academic Affairs Instruction & Academic Support (Including Grad Studies)	MM	Misleading or erroneous advisement	ML	Inadequate disclosure & consent related to student foreign travel	ML	Physical, mental or emotional injury in off-campus educational assignments	-	n/a
5	Technology Support-OIT & eLearning	-	n/a	-	n/a	-	n/a	-	n/a
7	Financial Management (including COM, F&A, Auxiliaries Management and Foundation Accounting)	MM	Poor customer service	LM	Lack of physical security	-	n/a	-	n/a
6	University Wide Student Services (including COM, COP, & Aux)	-	n/a	-	n/a	-	n/a	-	n/a
9	Research	-	n/a	-	n/a	-	n/a	-	n/a
8	Advancement and Alumni	-	n/a	-	n/a	-	n/a	-	n/a

Middle Tennessee State University
Enterprise Risk Footprint
May 2015

RISKS ➡

#	ACTIVITIES	1		2		3		4		5		6		7	
5	Information Technology 33,34,35,36,37,38	HM	Dependency on vendor provided services.	HM	Extended Loss of connectivity	HM	Extended Power outage	HL	Compromised personal identification	HL	Failure of system back up - loss of data	HL	Inadequate disaster recovery procedures	MH	Inability to compensate needed expertise
6	President's Office 11,26,27,30,32,38,47	HL	Breach of confidentiality	HL	Catastrophic incident at an athlethic event	HL	Inadequate Monitoring of Funding Formula Measurements	HL	Inadequate university business continuity plan	HL	Poor tone at the top	MH	Minor Student-Athlete injury	MM	Contracts executed by unauthorized individuals or for unauthroirzed activities
1	Financial Management 7,8,9,12,14,13,15,16,17,18,20,21,22,25,27,28,29,39,40,41,42,43,44,45,49,57	HM	Non-compliance with Payment Card Industry (PCI) standards	HL	Inadequate emergency preparedness and communications.	MM	Fraud, waste and abuse	MM	Improper management of resources in support of university mission.	MM	Management practices fail to foster positive morale.	ML	Failure to address and properly respond to incidents involving the physical safety of the campus community.	ML	Failure to maintain a safe and sanitary environment and minimize risks from communicable diseases.
3	University Provost 1,2,3,5,6,19,30,47,57	HL	Academic Information Technology: Loss or misuse of information technology services.	HL	Failure to meet accreditation standards	MM	Academic Administration: Lack of appropriate instructional (learning and faculty office) space	MM	Research and Sponsored Programs: Failure to comply with federal and state guidelines related to sponsored research	MM	Curriculum Development: Failure to adequately prepare students for the marketplace	MM	Public Service: Lack of infrastructure to support faculty and student community service activities	ML	Academic personnel management: Lack of preparation for non faculty personnel to support instruction.
2	Student Services & Academic Support 4,10,20,24,26,46,50,51,52,53,57	MM	Dissemination of incorrect or invalid information	MM	Employee error	MM	Failure to follow internal policy and procedure	ML	Inadaquate employee training	ML	Extended power outage or other facilities shut-down	ML	Failure to adaquately assess risks of student activities	ML	Failure to collect revenue
4	University Advancement 7,15,16,17,22,26,48,54,55,56	HL	Comprimised data integrity and/or security	HL	Failure to manage investment portfolio	HL	Misplaced or misappropriated funds	MM	Failure to follow safety procedures	ML	Failure to manage public image	ML	Improper donor transactions	ML	Inadequate Resources
7	Marketing & Communications 7,12,16,17,44,54,56	HL	Comprimised data integrity and/or security	HL	Misplaced or misappropriated funds	MM	Failure to adequately prepare documents for printing	MM	Failure to follow safety procedures	ML	Breakdown in communications of emergency preparedness	ML	Failure to manage public image	ML	Inadequate Resources

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Enterprise Risk Footprint
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#	ACTIVITIES		8		9		10		11		12		13
5	Information Technology 33,34,35,36,37,38	MH	Inadequate staffing	MM	Employee error	MM	External system intrusion	MM	Unauthorized access to data	ML	Computer hardware failure	ML	Inadequate equipment
6	President's Office 11,26,27,30,32,38,47	MM	Employees may act unethically or illegally	MM	Failure to appropriately handle volatile personalities	MM	Inadequate communication	MM	Inadequate management of high risk areas	MM	Inadequate security and safety at athletic events	MM	Inappropriate student-Athlete public behavior
1	Financial Management 7,8,9,12,14,13,15,16,17,18,20,21,22,25,27,28,29,39,40,41,42,43,44,45,49,57	ML	Improper setup and ongoing review of ERP and other related systems.	ML	Inadequate cash handling and management procedures for recording, management, custody and accounting of cash and cash equivalents.	ML	Inadequate communication and coordination between different areas of the university.	ML	Inadequate employee training	ML	Inadequate infrastructure to support the university community	ML	Inadequate process for reviewing Pcard charges
3	University Provost 1,2,3,5,6,19,30,47,57	ML	Academic Personnel Management: Flawed implementation of University tenure and promotion policy	ML	Academic Support: Failure to facilitate students' timely matriculation.	ML	Institutional Reporting: Inaccurate and untimely reporting of instructional, financial, diversity, and research data	ML	Instructional Delivery: Lack of faculty preparation to deliver instruction.	-	n/a	-	n/a
2	Student Services & Academic Support 4,10,20,24,26,46,50,51,52,53,57	ML	Failure to secure and maintain Personal Identifiable Information (PII)	ML	Fraud, waste or abuse	ML	Inadaquate record-keeping	ML	Inadaquate safety and security measures	ML	Inadequate budgeting	ML	Insufficient administrtative oversight
4	University Advancement 7,15,16,17,22,26,48,54,55,56	ML	Lost or damaged equipment	ML	Reporting errors--Fundraising	LM	Failure of Server	LM	Failure to balance individual budgets	LM	Failure to manage contracts and receipts	LM	Hacking of Web, Social Media Accounts
7	Marketing & Communications 7,12,16,17,44,54,56	ML	Lost or damaged equipment	ML	Lost or damaged images	LM	Failure of Server	LM	Failure to balance individual budgets	LM	Failure to manage contracts and receipts	LM	Failure to project revenue losses

#	ACTIVITIES		14		15		16		17		18
5	Information Technology 33,34,35,36,37,38	ML	Inadequate/outdated software	-	n/a	-	n/a	-	n/a	-	n/a
6	President's Office 11,26,27,30,32,38,47	MM	NCAA violations	MM	Noncompliance with federal or state statutes or regulations	MM	University policies and procedures are not current and/or accessible to employees	ML	Major Student-Athlete injury	ML	Noncompliance with TBR and university policies and guidelines
1	Financial Management 7,8,9,12,14,13,15,16,17,18,20,21,22,25,27,28,29,39,40,41,42,43,44,45,49,57	ML	Inadequate processes in place to ensure proper accounting, recording and collection of university receivables and revenue recognition.	ML	Inadequate processes in place to ensure proper accounting, recording and management of university expenses.	ML	Non-compliance with federal, state, other regulatory requirements, and TBR and university policies and procedures	ML	Procedures and processes do not follow standard accounting practices set forth by the accounting standard boards, grantor requirements, or other agency requirements in order to produce accurate financial reports	-	n/a
3	University Provost 1,2,3,5,6,19,30,47,57	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
2	Student Services & Academic Support 4,10,20,24,26,46,50,51,52,53,57	ML	Lack of compliance with mandated regulations/state or federal guidelines	ML	Natural disaster/fire/campus violence/criminal activity	ML	Outbreak of communicable disease	-	n/a	-	n/a
4	University Advancement 7,15,16,17,22,26,48,54,55,56	LM	Loss of Computer connectivity	-	n/a	-	n/a	-	n/a	-	n/a
7	Marketing & Communications 7,12,16,17,44,54,56	LM	Hacking of Web, Social Media Accounts	LM	Loss of Computer connectivity	LM	Loss of publication hard files	-	n/a	-	n/a

Tennessee State University
Enterprise Risk Footprint
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RISKS

#	ACTIVITIES	1		2		3		4		5		6		7		8	
5	Institutional Support	HM	Failure to comply with SACS criteria	HM	Inadequate endowment/reserves	HM	Inadequate governmental relations	HM	Poor external relations	HM	Poor Leadership	MH	Inability to attract qualified candidates	MH	Inefficient external requirements	MH	Inefficient processes
2	Instruction & Academic Support	HM	Low producing programs	HM	Poor enrollment management	HM	Poor quality faculty	HM	Poor quality instruction	HL	Inadequately prepared graduates	HL	Poor academic integrity	MM	Inadequate compensation	MM	Inadequate faculty retention
3	Information Technology	HH	Inadequate data/records security	HH	Inadequate network security	HL	Inadequate disaster recovery/business continuity	HL	Natural or man-made disaster	MH	Inadequate management	MM	Dependency on Vendor Provided Services	MM	Failure to maintain staffing levels, skills, motivated staff	MM	Inadequate financial support
6	Student Services	HM	Insufficient student housing	HM	Poor customer service	HL	Disease/pandemic outbreak	HL	Failure to maintain safe campus environment	MM	Failure to attract students	MM	Failure to manage default rates	MM	Inadequate resources	MM	Untimely processing of student applications
7	Research	HH	Inadequate compensation	HH	Inadequate governmental relations	MH	Inadequate staffing	MM	Inadequate faculty support for students in programs	MM	Inadequate research facilities	MM	Inadequate resources	MM	Lack of data security	MM	Noncompliance with laws, rules and regulations
4	Physical Plant	HM	Inadequate resources	HL	Failure to communicate/test emergency procedures	HL	Inadequate disaster recovery/business continuity	HL	Natural or man-made disaster	MH	Aging Infrastructure	MM	Failure to comply with codes	MM	Inadequate staffing	MM	Noncompetitive compensation
1	Financial Management	MM	Fiscal non-compliance	MM	Inaccurate financial reporting	MM	Ineffective resource management	MM	Inefficient processes	MM	Noncompetitive compensation	MM	Poor customer service	MM	Poor training	ML	Inaccurate/untimely payments
8	Auxiliary Enterprises	MH	Deferred Maintenance	MM	Poor customer service	MM	Poor product quality	MM	Unhealthy or unsafe enviornment	ML	Inadequate contract monitoring	ML	Lack of Disaster Recovery Plan	ML	Waste, fraud, and abuse	LH	Competition

Tennessee State University
Enterprise Risk Footprint
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#	ACTIVITIES		9		10		11		12		13		14
5	Institutional Support	MH	Lack of institutional branding	MH	Org goals/objectives not communicated/monitored	MH	Unfunded mandates	MM	Lack of strategic planning	ML	Non-compliance with laws, rules, and regulations	ML	Unfair hiring practices
2	Instruction & Academic Support	MM	Inadequate professional development	MM	Inappropriate faculty behavior	ML	Inadequate instructional support	ML	Lack of oversight over faculty recruitment	ML	Loss of Program Accreditation	ML	Poor curriculum/curriculum development
3	Information Technology	MM	Insufficient support staff	MM	Noncompetitive compensation	MM	Outdated technology	MM	Poor quality of service	ML	Inadequate R/D in emerging technologies	ML	Inadequate training/professional development
6	Student Services	ML	Confidentiality of student records	ML	Failure to follow due process	ML	Improper student relationships	ML	Inadequate counseling	ML	Inappropriate treatment of students	ML	Noncompliance with laws, rules and regulations
7	Research	ML	Conflict of Interest	ML	Inadequate program/financial reporting	ML	Inadequate protection of intellectual property	ML	Inadequate safety	ML	Lack of research integrity	-	n/a
4	Physical Plant	MM	Poor quality of service	ML	Failure to maintain safe/secure environment	ML	Inadequate management	-	n/a	-	n/a	-	n/a
1	Financial Management	ML	Lack of segregation of duties	ML	Waste, fraud, and abuse	LM	Negative market forces	LL	Failure to properly assess and collect fees	-	n/a	-	n/a
8	Auxiliary Enterprises	LM	Decline in Enrollment	LL	Inadequate market research	LL	Ineffective/inefficient contract negotiations	-	n/a	-	n/a	-	n/a

TENNESSEE TECHNOLOGICAL UNIVERSITY
Enterprise Risk Footprint
May 2015

#	ACTIVITIES	RISKS 1		2		3		4		5		6		7
2	Financial Management	HM	Loss of data due to ineffective implementation of a data backup/recovery plan	MM	Major breach of electronic records system	ML	Funds not expended consistent with available resources	ML	Use of resources not aligned with institutional goals and objectives	LM	Lack of segregation of duties	LM	Misuse of procurement card	LL	Failure to enforce contractual obligations of vendors
1	Instruction and Academic Support	MH	Declining enrollment	MH	Lack of appropriately updated and equipped academic facilities	MH	Shortage of faculty to meet student demands	MM	Lack of confidentiality/poor academic records management	ML	Failure to change outdated courses/degree programs to meet changing market conditions/ competition	ML	Failure to effectively assess program results	ML	Failure to monitor unit productivity
3	Information Technology	MM	Failure to attract and retain employees for key roles	MM	Failure to integrate/implement new systems in a timely manner	MM	Major security breach	ML	Inadequate end-user training	ML	Inadequate physical security of data center	ML	Lack of verifiable disaster recovery plan	ML	Loss of system critical data
6	Student Services	MM	Failure to adequately supervise student activities	MM	Failure to attract students (recruitment)	MM	Failure to protect the confidentiality and security of student information	MM	Failure to retain students/increase persistence to graduation sufficiently	MM	Inadequate business continuity plan	ML	Lack of timely processing of new student applications	LL	Erroneous administration of financial aid
7	Physical Plant	HL	Natural disaster for major portion of campus	MH	Deferred Maintenance	MM	Failure to communicate emergency procedures/test emergency response plans	ML	Failure to conduct adequate lab inspections	LH	Lack of key security	LM	Failure to conform to OSHA standards	LM	Lack of ADA compliance

TENNESSEE TECHNOLOGICAL UNIVERSITY
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		RISKS 1		2		3		4		5		6		7
5	Institutional Support	HL	Extended closure from an unanticipated event	ML	Failure to develop/communicate/monitor strategic plan	ML	Failure to provide a safe campus	LM	Failure to follow policies, procedures, and regulations	LM	Inconsistent application of hiring and reclassification policies	LM	Lack of confidentiality	LM	Non-competitive pay scales
4	Auxiliary Enterprises	MM	Increasing Deferred Maintenance/Inadequate R&R	ML	Inadequate procedures for catastrophic events	ML	Sustained failure to meet student needs and expectations	LM	Decreasing freshman enrollment	LL	Bankruptcy of vendor	LL	Breach of contract by vendor	LL	Eagle Card technology failure
8	University Advancement	MM	Ineffective marketing	ML	Failure to maintain accurate records	LM	Failure to articulate and enforce conflict of interest policies	LM	Failure to comply with donors directions/wishes	LM	Lack of growth of endowment	LM	Untimely/inadequate communications with stakeholders	LL	Confidentiality violations
9	Research	LM	Failure to monitor export control	LM	Inadequate documentation to support charges to grant	LM	Inadequate research facilties and equipment	LM	Inappropriate disclosure of sensitive or confidential data	LM	Insufficient number of faculty engaged in research	LM	Insufficient support for graduate and postdoctoral students	LM	Non-compliance with contract agreements
10	Athletics	LM	Major accident during team travel	LL	Disaster at athletic event	LL	Fraud, waste, and abuse of resources	LL	Major NCAA rules infraction	LL	Title IX equity violation	-	n/a	-	n/a

#	ACTIVITIES		8		9		10		11		12		13		14		15
2	Financial Management	LL	Failure to pay employees accurately and in a timely manner	LL	Failure to pay vendors accurately and in a timely manner	LL	Failure to properly assess and collect fees	LL	Financials issued with material misstatements and non-GASB compliance -- fraud	LL	Fraud, waste, or abuse of available resources	LL	Improper disbursement of federal aid	LL	Inaccurate/untimely reports (IRS, GASB, and state)	LL	Major financial commitments not included/documented in budget process
1	Instruction and Academic Support	ML	Inadequate quality academic advising	ML	Insufficient monitoring of laboratory safety	ML	Low passing rates on licensing exams	ML	Use of resources not aligned with institutional goals and objectives	LM	Non-competitive salaries relative to peers	LM	Salary Inversion	LL	Fraud, waste or abuse of university resources	LL	Inadequate faculty and employee training
3	Information Technology	ML	Major system failure	LH	External network attack on computing resources	LH	Failure of instructional equipment	LM	Failure to timely implement software upgrades	LM	Inadequate control of system access	LM	Lack of adequate financial resources	LM	Outdated technology (not leading-edge)	LL	Fraud, waste, or abuse of computing resources
6	Student Services	LL	Failure to communicate student judicial policies and procedures to affected constituents	LL	Fraud, waste, or abuse of university resources	LL	Inadequate adherence to immigration requirements	LL	Ineffective behavioral intervention process	LL	Insufficient staffing for counseling services	-	n/a	-	n/a	-	n/a
7	Physical Plant	LL	Failure of fire suppression systems	LL	Failure to take adequate steps to prevent life safety code violations	LL	Fraud, waste, or abuse of university resources	LL	Inadequate hazardous waste management	LL	Lack of timely emergency response	-	n/a	-	n/a	-	n/a

TENNESSEE TECHNOLOGICAL UNIVERSITY
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#	ACTIVITIES		8		9		10		11		12		13		14		15
5	Institutional Support	LM	Single incident violating federal or state law (EEO, ADA, Title IX, Clery, HIPAA, FERPA, etc.)	LM	Unauthorized access to facilities and grounds	LL	Conflict of interest	LL	Failure to comply with SACSCOC criteria	LL	Failure to protect and maintain brand integrity	LL	Fraud, waste, or abuse of university resources	LL	Inappropriate focus of audit resources	-	n/a
4	Auxiliary Enterprises	LL	Equipment failure	LL	Failure to adequately secure auxiliary facilities	LL	Fraud, waste, or abuse	LL	Lack of communication between management and vendors	LL	Lack of strategic planning	LL	Poor management of auxiliary units	-	n/a	-	n/a
8	University Advancement	LL	Failure of support software (Raiser's Edge)	LL	Fraud, waste, or abuse of university or foundation resources	LL	Non compliance with federal, state, TBR, and TTU laws and policies	LL	Non compliance with federal, state, TBR, and TTU laws and policies	-	n/a	-	n/a	-	n/a	-	n/a
9	Research	LL	Conflict of interest	LL	Falsification of research data/misreporting of research results	LL	Fraud, waste and abuse of research resources	LL	Inadequate physical security for research facility	LL	Inappropriate cost share	LL	Infringement on intellectual property	LL	Non-compliance with animal research requirements	LL	Non-compliance with human subject requirements
10	Athletics	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a

University of Memphis
Enterprise Risk Footprint
May 2015

#	ACTIVITIES	RISKS 1	2	3	4	5	6	7
4	Institutional Support	HH Declining revenue stream - Inadequate funding to support basic mission	HM Lack of positioning within the THEC/TBR system	MH Significant increase in unfunded mandated costs	HL Inadequate planning for emergencies, safety and crime prevention	HL Failure to manage crisis situation - negative image/ public relations	HL Lack of commitment from senior leadership for strategic plan	HL Failure to maintain SACSCOC standards - program accreditation
8	Student & Enrollment Services	HM Lack of enrollment growth	MH Affordability for primary student market	HL Failure to follow state and federal guidelines for financial aid	HL Failure to manage default rate on student loans	HL Unexpected reduction in student financial aid	HL Extended loss of computer systems (registration/ financial aid)	HL Breach of confidential information
5	Academic Support	HM Insufficient number of faculty	HL Failure to maintain accreditation for programs	HL Inadequate resources for recruitment and retention of faculty such as competitive salaries, space	HL Inadequate curriculum / quality instruction	HL Inadequate programs to retain and help student succeed	HL Failure to maintain adequate records for program review/ accreditation	MH Lack of competitive salary structure
7	Research	HL Inappropriate human subject testing/ harm to research participants	MH Inadequate funding for research initiatives and infrastructure	MH Inadequate security in laboratories	MH Unallowable costs charged to grants	MM Failure to bill sponsors timely	MM Failure to comply with policies and procedures	MM Failure to recover overhead costs
6	Physical Plant	HL Inadequate emergency response plan	MH Aging infrastructure	MH Failure to perform preventive maintenance	MH Time and budget overruns on projects	MM Inadequate staffing	ML Failure to align campus master plan with University goals and objectives	ML Failure to control costs
3	Information Technology	HL Breach of system/ theft of institutional data	HL Failure of key systems	MM Inadequate funding for current technology and to maintain research computing environment	MM Lack of funding for the replacement and maintenance of hardware components for core institutional systems	MM Failure to maintain adequate staffing levels and skill sets to maintain core systems	MM Inadequate documentation for all operational processes and components	ML Failure of the core systems to produce data and reports to follow federal and state directives or guidelines
9	Athletics	HL Major NCAA violation	MH Insufficient revenue to cover operating costs	MM Lack of membership in a major conference	MM Decreased donor support	MM Lack of team success	MM Low ticket sales	MM Poor budgetary controls
2	Financial Management	MM Employee Turnover	MM Errors in accounting systems that aren't detected in a timely manner	MM Failure to maximize return on investment	MM Lack of effective employee training	MM Lack of emergency planning & training	MM Lack of management oversight	MM Overexpended budget
1	Auxiliary Enterprises	MM Employee turnover	MM Inadequate emergency planning and training	MM Mishandling of hazardous materials	MM Non-competitiveness with outside vendors	MM Poor customer service	ML Committed to weak or bad external partnership	ML Declining enrollment

University of Memphis
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		8		9		10		11		12		13		14		15
4	Institutional Support	HL	Failure to develop a university-wide business continuity plan	HL	No code of conducts or ethics - conflict of interest	HL	Improperly interpret a new or existing law that has a large impact	MM	Failure to recruit and retain qualified employees	MM	Ineffective communication	MM	Lack of effective leadership	MM	Failure to meet fund-raising goals	MM	Lack of fraud awareness and appropriate response
8	Student & Enrollment Services	MM	Failure to adequately recruit qualified students	MM	Noncompetitive scholarships/stipends to recruit students	MM	Insufficient Staffing	MM	Failure of students to declare a major/progress towards degree completion timely	MM	Perceived quality of the institution (image)	MM	Perceived or actual increase of crime/accidents on campus	ML	Declining retention rates	ML	Inefficient Admissions process
5	Academic Support	MM	Failure to recruit high quality graduate students	MM	Fund use not aligned with institutional goals and objectives	MM	Inadequate classrooms, facilities or research space	MM	Inadequate degree offerings	MM	Ineffective interdisciplinary / interdepartmental working relations	MM	Poor faculty performance	ML	Failure to graduate qualified students	ML	Failure to comply with federal, state and board guidelines
7	Research	MM	Failure to recruit effective research faculty	MM	Lack of documentation of research	MM	Mishandling of intellectual property and technology transfers	MM	Misuse of funds	ML	Failure to comply with state / federal guidelines and regulations	ML	Failure to build research partnerships	ML	Inadequate effort certification process	ML	Inappropriate use of animal subjects
6	Physical Plant	ML	Failure to maintain building and grounds	ML	Failure to maintain equipment	ML	Failure to maintain proper building security	ML	Failure to manage projects	ML	Improper use and disposal of hazardous materials	ML	Unsafe conditions on campus	ML	Unsafe work practices	LH	Failure to plan for maintenance
3	Information Technology	ML	Inadequate disaster planning	ML	Failure to maintain the University's public web presence	ML	Failure to provide internet and voice services	ML	Inadequate training of IT employees	ML	Inadequate training of users	LM	Inadequate project planning	LM	Failure to keep abreast of emerging technology and outdated systems	LL	Failure to retain key employees
9	Athletics	ML	Poor media communications	LH	Minor NCAA violation	LM	Inability to hire and retain good coaches	LM	Inadequate or obsolete facilities	LM	Employee theft or fraud	LM	Failure to accurately report operations	LL	Failure to comply with University policies and procedures	LL	Failure to follow state and federal rule and regulations
2	Financial Management	ML	Failure to follow policies and procedures	ML	Failure to follow state and federal guidelines	ML	Failure to forecast accurately	ML	Inadequate useful financial information for management decisions	ML	Failure to maintain adequate insurance for facilities	ML	Failure to make accurate and / or timely payroll payments	ML	Inadequate billing processes	ML	Inadequate reserves to cover contingencies
1	Auxiliary Enterprises	ML	Failure to follow state and federal guidelines	ML	Inability to hold events due to facility failures	ML	Inadequate management oversight	ML	Lack of effective employee training	LH	Vendor services interrupted	LL	Failure to reconcile data from multiple IT systems	LL	Failure to follow policies and procedures	LL	Inadequate insurance

Chattanooga State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES	RISKS 1	2	3	4	5	6	7	8	9	10
5	Instruction & Academic Support (32, 33, 34, 35, 36, 37, 38, 39, 40, 41)	HH Failure to Timely Intercede with At-Risk Students	HH Failure to find faculty in specific areas due to non-competitive wages	HM Inability to Hire & Retain Quality Faculty	HM Failure to Attract Students to Programs	HM Underprepared Graduates	HM Students Fail to Complete in Timely Manner as Defined by TBR	HL Failure to Design Curriculum Appropriate to Meet the Needs of the Marketplace	HL Failure to Have or Integrate Advisory Committee Input	MH Inadequate Library Training on Research & Writing Research Papers	MH Unqualified individuals in specific positions
4	Institutional Support (23, 24, 25, 26, 27, 28, 29, 30, 31)	HH Insufficient coverage of topics in audit universe	HM Inadequate communication of critical or emergency information	HM Failure to assess the competitive environment and respond accordingly	HL Failure to consult with legal advisors when needed	HL Improper scholarship selection	HL Failure to maintain SACS COC accreditation	HL IA personnel not competent and not objective	HL Failure to recognize fraud, abuse, and wast and manage risks	HL Failure to deliver timely data to Integrated Postsecondary Education Data System (IPEDS)	MM Failure to make budget decisions with data and cost/ benefit analysis
7	Student Services (53, 54, 55, 56, 57, 58, 59, 60, 61)	HM Lack of Response to Changing Enrollment	HM Failure to Provide Accurate & Timely Required Reports	HL Failure to Comply with Dept of Veterans Affairs' Policies and Regulations	HL Failure to Keep Abreast of and Comply w/ Federal & State Laws, Campus Crime, Safety & Security Mandates	HL Student is Denied Reasonable Accommodation for His/Her Disability	HL Inadequate security of student documents and records	HL Failure to comply with FERPA regulations and TBR policies re: confidentiality and in student life, registration, records, and enrollment (combines 4 risks).	HL Failure to recognize fraud, abuse, and wast and manage risks	HL Failure to deliver timely data to Integrated Postsecondary Education Data System (IPEDS)	MH College does not meet compliance requirements for ADA sections 504, 508, & WCAG
3	Information Technology (18, 19, 20, 21, 22)	HM Inadequate or Lack of Disaster Recovery Plan, Business Continuity Plan	MM Failure to Follow Federal, State,TBR and ChSCC Regulations & Policies and Lack of Written ChSCC Procedures	MM Unauthorized or Inappropriate Access to and/or Loss of Systems, Data, Records and Physical IT Resources	MM Inadequate Staffing Levels or Staff Skill Sets	ML Failure of External Suppliers and/or Contractors to Provide Services and/or Equipment	ML Failure to Respond Appropriately to Customer Issues and Training Needs	LH Lack of Separate Test, Acceptance, and Production Environment for Critical Systems	LM Inadequate Technology, Planning, & Oversight	LL Failure to Manage Budget Resources	LL Failure to Keep Both Hardware and Software Systems Technologically Up-to-Date

#	Category										
6	Physical Plant (42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52)	HM Hazardous Working Conditions	HL Major Natural Disaster	HL Building and Content Values Understated	MM Failure to Properly Maintain Building Equipment	M M Failure to Properly Maintain Facilities	MM Equipment Damage	MM Interruption of Utilities Services	MM Failure to Perform Preventive Maintenance	ML Lack of Adequate Emergency Communication	ML Lack of Adequate Training & Testing of Systems & Drills
2	Financial Management (4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17)	HM Awards to Ineligible Students - Federal and State Funds	HM Failure to Manage Default Rate	HM All Financial Commitments not Included and Documented in Budget Process	HM Return of Title IV Funds	HL Failure to Reconcile Fiscal and Financial Records	HL Lack of Untimely Performance of Reconciliations Between Two or More Items	HL Over or Under Spending Budget	HL Untimely Bank Reconciliations	HL Inadequate Budget Controls	MM Federal Grants That do not Adhere to Federal Regulations Specified in Circulars A-21 and A-110
1	Auxiliary Enterprises (1, 2, 3)	MM Aging Cafeteria Equipment and Facilities	MM Insufficient Cafeteria Fund Balance	ML Aging Infrastructure	ML Food Borne Illness	ML Injury to Staff or Customers in the Dining Area	ML Theft of Food or Money	MM Lack of IT Support for the Bookstore	ML Failure to Review Bookstore Commission Reports Timely	LM Poor Customer Service	
	ARRA (American Recovery & Reinvestment Act)	HL Failure to Spend in Accordance with Guidelines	HL Building & Content Values Understated	ML Changing or Conflicting Guidance or Regulation	ML Failure to Include Required Contract Language	ML Failure to Maintain Proper Documentation	ML Failure to Submit Accurate and Timely Reimbursement Requests	ML Inaccurate Tracking of ARRA Funds Used as Scholarships	ML Failure to Reconcile ARRA Funds/Orgs	ML Inaccurate Process for Determining if a Project Meets "Modernization, Renovation, or Repair" Criteria	LL Funds are not Spent by 2011

ACTIVITIES		11		12		13		14		15		16		17		18		19		20
Instruction & Academic Support (32, 33, 34, 35, 36, 37, 38, 39, 40, 41)	MH	Lack of Timely Review & Revision of Written Policies & Procedures	ML	Failure to Comply with Accreditation & Academic Audit Requirements	ML	Failure to Meet Community Workforce Needs	ML	Lack of Effective & Accurate Communications at All Levels	MM	Failure to Adequately Orient Academic Faculty/Staff	MM	Failure to Conduct Appropriate Needs Analysis Prior to Implementation of New Programs	ML	Failure to Provide Out-of-Class Academic Assistance	ML	Lack of Professional Development for Faculty	ML	Failure to Have Up-To-Date Syllabi	LL	Failure to Attain Acceptable Licensure Pass Rates for Program Graduates
Institutional Support (23, 24, 25, 26, 27, 28, 29, 30, 31)	MM	Improperly executing or missing employment eligibility to work documents	MM	Poor customer service	ML	Commission fraud in IR data reporting or fail to recognize it	ML	Lack of effective marketing	ML	Violation of Federal & State Employment Laws	ML	Risk of inconsistencies and inaccuracies in soliciation materials	ML	A major NJCAAA violation	ML	Risk of fraud in Accounts Receivable and Payable in Corp. training and education	LM	Non-cash forms not being completed and submitted to office	LL	Conflict of interest
Student Services (53, 54, 55, 56, 57, 58, 59, 60, 61)	MM	Failure to provide skilled, knowledgeable telephone staff to respond to a broad range of inquiries and information	ML	Failure to communicate and faciliate due process & judicial policies to students & college community	ML	Failure to communicate academic integrity policies and procedures	ML	Failure to deliver quality customer service	ML	Inappropriate use of student funds	ML	Failure to provide counseling service to student in crisis and to alert proper authorities	ML	Failure to establish safety policies and procedures	ML	Failure to properly complete & monitor SEVIS records for international students	ML	Failure to develop, and follow, appropriate policies concerning new and changing sexual harrassment & misconduct legislation	LM	Low graduate placement rate
Information Technology (18, 19, 20, 21, 22)																				

Category									
Physical Plant (42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52)	ML Minor Natural Disaster	ML Failure to Perform Required Safety Checks	ML Employee Injuries	ML Failure to Properly Train Security Personnel	ML Fire in Shipping & Receiving	LM Theft of Equipment & Furnishings	LL Chemical Spill	LL Flood	LL Failure to Order & Stock Needed Supplies & Materials	LL Failure to Maintain Key Control
Financial Management (4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17)	MM Complex Financial Information System	MM Inaccurate Financial Reports/Lack of Timeliness in Submitting Financial Reports (Grants)	MM Non-Adherence with Grants Requirements	ML Failure to Make Accurate and Prompt Payments to Retirement and Insurance Vendors and Other Outside Entities	ML Employees with Purchasing Authority Have a Perceived or Actual Conflict of Interest	ML Breach of Student Confidentiality Laws (Revenue)	ML Failure to report payroll deductions and fringe benefits to agencies (other than IRS)	ML Funds are not expended according to College Mission	ML Data relating to cash transactions is improperly created, altered, or deleted	ML Payments received are misplaced, lost, or mishandled
Auxiliary Enterprises (1, 2, 3)									
ARRA (American Recovery & Reinvestment Act)									

CLEVELAND STATE COMMUNITY COLLEGE
ENTERPRISE RISK FOOTPRINT
RISK FOOTPRINT
MAY 2015

		RISKS																			
#	MAJOR ACTIVITIES	1	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10
2	VICE PRESIDENT - FINANCE AND ADMINISTRATION	HH	Lack of disaster recovery plan - business continuity	HH	Lack of safety management & emergency preparedness	HM	Tracking mobile devices with regulatory protected data	HL	Bad public relation/ dispositon of inaccurate informaton	HL	Business disruption from external/ internal threats	HL	Equipment/ software failure	HL	Failure to safeguard records	HL	Fire/natural disaster	HL	Fraud, waste, and abuse	HL	Loss of third party services
1	PRESIDENT'S OFFICE	HM	Inadequate oversight of accreditation activites	HL	Embezzlement	HL	Fraud, waste, and abuse	HL	Lack of and/or inadequate strategic plan	HL	Misreporting /false reporting data	HL	Non-compliance and/or no monitoring of grant programs	HL	Threats to health or safety	MH	Risk of single point of knowledge in one person	MM	Failure to follow policies and procedures	MM	Poor or inadequate customer service
4	VICE PRESIDENT - STUDENT SERVICES	HM	Failure to recruit and retain students	HL	Threats to health or safety	MM	Disruptive students/ parents	MM	Failure to align goals with new outcomes funding formula criteria	MM	Financial aid overawards/ overpayments	MM	Insufficient staff	MM	Poor customer service	ML	Failure to adhere to ethical guidelines for profession	ML	Failure to comply with laws, policies, and regulations (FERPA)	ML	Failure to respond to requests for information
3	VICE PRESIDENT - ACADEMIC AFFAIRS	HL	External/ internal malicious damage/ attack	HL	Threats to health or safety	MM	Copyright violations	MM	Disruptive students	MM	Failure to align goals with new outcomes funding formula criteria	MM	Inadequate quantity or quality of faculty	MM	Loss of individual items (books, tapes, calculators, computers, projectors)	MM	Single points of knowledge in one person	ML	Failure to comply with FERPA guidelines	ML	Failure to comply with program accreditation standards

CLEVELAND STATE COMMUNITY COLLEGE
ENTERPRISE RISK FOOTPRINT
RISK FOOTPRINT
MAY 2015

#	MAJOR ACTIVITIES	RISKS 11	11	12	12	13	13	14	14	15	15	16	16	17	17	18	18	19	19	20	20
2	VICE PRESIDENT - FINANCE AND ADMINISTRATION	HL	Major equipment failure	HL	Misrepresentation of assets	HL	Risk of days/weeks without technology services	HL	Risk of loss of regulatory protected student and financial information	HL	Threats to health or safety	HL	Transmission over unprotected communications	MH	Aging facilities & infrastructure	MH	Inadequate PR disaster plan	MH	Materials and supply inventory management	MH	Poor/weak passwords by users
1	PRESIDENT'S OFFICE	ML	Abuse of power and harassment	ML	Misrepresentation of credentials	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0
4	VICE PRESIDENT - STUDENT SERVICES	ML	Fraudulent use of resources	ML	Misreporting/ false/ failure to report data	LL	Injuries/ accidents	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0
3	VICE PRESIDENT - ACADEMIC AFFAIRS	ML	Failure to comply with SACS standards	ML	Laboratory safety including control of supplies, especially chemicals and needles	ML	Lack of clinical partners	ML	Lack of patron confidentially	ML	Mismanagement/ waste of resources	ML	Misuse or lack of service on contracted database services	ML	Student error in clinical stituations	LL	Faculty or administrative mistreatment of students or co-workers	LL	Human error	n/a	0

Columbia State Community College
Enterprise Risk Footprint
May 2015

RISKS

#	ACTIVITIES	1	2	3	4	5	6	7	8
7	Student Services (41,42,43,44,45,46,47)	HM Failure to comply with federal and state laws and regulations	HM Inadequate resources	HM Lack of/inappropriate communication with students	HM Poor customer service	HM Poor planning for and management of enrollment processes	HM Staffing issues - Inadequate number of staff, inadequately trained, ineffective staff	HL Fraudulent reporting of data	HL Inaccurate student records
5	Instruction & Academic Support (26,27,28,29)	HH Poorly prepared entering students	HM Failure to Schedule to meet student/industry needs	HM Inadequate and/or inappropriate student advising	HL Fraudulent reporting of data	HL Inaccurate reporting of data	HL Poor communication and tracking of student information	HL Poor strategic choices	MH Competition from other institutions and programs
3	Information Technology (17,18,19,20)	HH Breach of information security/confidentiality	HM Sabotage	HL Inadequate backup	HL Insufficient planning for business continuation	HL Natural disasters	HL Utility/facility failures	MH Inadequately trained users	ML Abuse of technology resources
6	Physical Plant (30,31,32,33,34,36,37,38,39,40)	HM Inadequate emergency preparedness	HL Failure of utilities	HL Inadequate insurance for replacement of buildings and contents	HL Insufficient strategic/long-term planning	HL Natural disaster	MH Inadequate funding	MM Failure of external vendors	MM Inadequate campus security
4	Institutional Support (21,22,23,24,25)	HM Staffing issues - Inadequate number of staff, inadequately trained	HL Excessive employee turnover	HL Poor strategic planning	HL Unethical, illegal, inappropriate relations with external stakeholders	MM Inadequate, ambiguous, outdated policy	MM Inadequate/inappropriate employee evaluation systems	MM Leadership succession/transition	MM Outdated process
2	Financial Management (3,4,5,6,7,8,9,10,11,12,13,14,15,16)	HH Inadequate revenue/funding	HL Insufficient backup of computer records	MH Budget/financial statement errors and omissions	MM Changes in software and how we use software - process changes as a result of process modeling	MM Staffing issues - Inadequate number of staff, inadequately trained	ML Excessive employee turnover	ML Failure to follow controls, policies and procedures, accounting standards	ML Inadequate and/or inappropriate facilities
1	Auxiliary Enterprises (1,2)	MM Poor financial performance of contractor	ML Poor contractor performance	ML Unhealthy or unsafe environment	LH Competition from other textbook sources	LM Difficulty in hiring contractor	LL Inability of contractor to meet customer needs	LL Poor customer service	- n/a

Columbia State Community College
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#	ACTIVITIES		9		10		11		12		13		14		15
7	Student Services (41,42,43,44,45,46,47)	HL	Inadequate backup of student records	MM	Inaccurate reporting of data	MM	Poor management of communications to external audiences	ML	Excessive employee turnover	ML	Failure to comply with institutional policies and procedures	ML	Inadequate security of student records	ML	Information technology hardware/software failure during peak registration times
5	Instruction & Academic Support (26,27,28,29)	MH	Inadequate staff	MH	Insufficient security of student records	MM	Copyright infringement	MM	Lack of/inappropriate communications	ML	Curriculum does not match community needs	ML	Excessive employee turnover	ML	Inadequate resources / facilities
3	Information Technology (17,18,19,20)	ML	Employee turnover	ML	Failure to upgrade /maintenance of software	ML	Failure of external suppliers/contractors to provide services/equipment/supplies	ML	Failure to upgrade/maintenance of equipment	ML	Inadequate/inappropriate facilities	ML	Staffing issues - Inadequate number of staff, inadequately trained	-	n/a
6	Physical Plant (30,31,32,33,34,36,37,38,39,40)	MM	Inadequate facilities maintenance / aging of facilities	MM	Inadequate safety training	MM	Increased impact of regulatory/external agencies	MM	Lack of/inappropriate communications	MM	Staffing issues - Inadequate number of staff, inadequately trained	ML	Abuse of property by employees, students, outsiders	ML	Excessive employee turnover
4	Institutional Support (21,22,23,24,25)	MM	Poor internal communications	ML	Errors in employee record keeping / benefits	ML	Failure to comply with federal and state employment laws and regulations	ML	Fraud/abuse/waste of resources	ML	Poor employee selection process	ML	Poor relationship between institution and foundation	ML	Poor relationships with existing and potential donors, Failure to document and follow donor wishes
2	Financial Management (3,4,5,6,7,8,9,10,11,12,13,14,15,16)	ML	Inadequate equipment/supplies	ML	Inadequate revenue/cash flow	ML	Inadequate security over cash/deposits	ML	Lack of access to information/reporting	ML	Loss of records	ML	Misappropriation of funds / Fraud	-	n/a
1	Auxiliary Enterprises (1,2)	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a

Dyersburg State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES	RISKS 1	2	3	4	5	6	7	8	9	10
1	Instruction & Academic Support	HH Inadequate financial resources	HM Failure of student retention and graduation progress	HM Failure to meet faculty accreditation standards	HM Lack of qualified adjunct faculty pool	HM Failure to submit reports in a timely manner	HM Lack of support services	HL Failure to adequately support under prepared students	HL Inappropriate management of records	HL Failure to handle a crisis situation	HL Inappropriate behaviors of faculty/staff and students
2	Student Affairs	HH Failure to enroll and retain students & increase grad. rates	HH Failure to investigate & resolve complaints in a timely manner	HH Athletic injuries, accidents or health-related and travel incidents	HH Failure to adequately monitor/maintain security of tests & records	HM Failure to provide ADA accommodations on campus and during activities	HM Inappropriate use of PII (personally identifiable information)	HM Inadequate assessment, evaluation and counseling services	MH Inappropriate staff or student behavior	MH Failure to detect fraud, waste or abuse	MH Non-compliance with DSCC, state & federal regulations
3	Financial Management	HH Lack of adequate operating funds	HH Non-compliance with DSCC, state & federal regulations	HH Failure to provide timely service to students	HH Improper payroll disbursements	HL Over awarding of financial aid	HL Lack of financial communication to/from faculty/staff	HL Failure to detect fraud, waste or abuse	MM Lack of trained staff	MM Failure to maximize return on investments	MM Failure to correctly project or record revenue
4	Institutional Support	HH Failure to meet Funding Formula outcomes	HM Non-compliance with accreditors	HM Lack of Business Continuity / Emergency Prep. Plan	MH Inadequate staffing or overreliance of adjunct faculty	HL Ineffective Leadership	HL Improper utilization of resources	MH Mismanagement, PII violation, fraud, waste or abuse	HL Ineffective communication or inadequate advocacy with internal/external stakeholders	HL Not following donor award specifications	ML Failure to observe conflict of interest policy
5	Physical Plant	HM Natural disaster and emergencies	HM Building infrastructure failure	HL Inappropriate behavior of staff	HL Inadequate campus security	HL Ineffective execution of emergency preparedness plan	MH Loss, injury or damage to college community and/or property	MM Lack of backup for key personnel	MM Failure to follow DSCC, state and fed guidelines, procedures and codes	MM Failure to maintain mechanical equipment	MM Failure to follow building codes on new construction and/or renovations
6	Institutional Advancement	HH Publishing or disseminating incorrect information	HH Failure to adequately and efficiently communicate in a crisis	HM Failure to timely and accurately report data	HM Failure to maintain SACSCOC Accreditation	HM Failure to follow donor award specifications	MH Failure to keep information current and failure to adhere to policies and guidelines	MH Failure to adequately communicate w/ stakeholders in a timely manner	HL Lack of backup for Info Research Specialist	MH Insufficient Fundraising	HL Failure to follow state, federal, and local laws/regulations
7	Information Technology	HH Lack of backup for key personnel	HL Inadequate disaster recovery plan	HL Incorrect security levels approval	HL Lack of network security	HL Sabotage by employees	HL Sabotage by outsiders	HL Inadequate resources	ML Breach of confidentiality	ML Equipment failure	ML Failure to update licenses
8	Public Service	HH Loss of grant funding	HH Failure to adhere to grant budget & reporting requirements	HH Downturn in Market	HH Enrollment of ineligible participants for services	HM Errors in payments	HM Inadequate Institutional matching funds	HM Failure to meet performance measures	HM Audit Finding	MH Individual filing discrimination complaint	MH Failure to detect fraud, waste, abuse

Dyersburg State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES	11	12	13	14	15	16	17	18	19	20	21
1	Instruction & Academic Support	HL — Infringing on copyright and trademark laws	HL — Failure to adequately publicize and implement Intl Studies program	MH — Failure to implement and disseminate safety standards	MH — Failure to eliminate fraud, waste, or abuse	HL — Failure to meet staff accreditation standards	MH — Failure to develop and support quality faculty	HL — System Failure	MH — Below Average Success Rates	MH — Below Average Retention Rates	HL — Inadequately trained faculty/staff	HL — Lack of quality instruction
2	Student Affairs	MH — Inadequate funding or staffing	MH — Failure to appropriately respond to student or family needs	MH — Lack of accurate and timely reporting	MH — Lack of or falsified student information	MH — Failure to communicate programs, degree plans and classes	MH — Lack of online student services	MH — Failure to create/maintain student engagement	MH — Insufficient advising services or ineffective registration process			
3	Financial Management	MM — Poor record management	ML — Inaccurate financial reporting	ML — Incorrect disbursements	ML — Lack of student compliance with financial aid reqmts	ML — Failure to properly depreciate assets	ML — Inventory errors	ML — Failure to correctly charge expenses	ML — Data entry errors			
4	Institutional Support	ML — Lack of coordination among administrative & academic leaders	LM — Failure to correctly implement/observe DSCC policies/procedures by faculty, staff & students									
5	Physical Plant	MM — Poor record management	MM — Contractor not following contract guidelines	MM — Improper storage or disposal of hazardous materials	MM — Failure to eliminate fraud, waste or abuse	MM — Failure to meet student needs	ML — Failure to support faculty/staff needs	MM — Improper motor vehicle operations	ML — Worker Compensation claims	MM — Failure to adhere to bidding guidelines	ML — Failure to meet community needs	MM — Increasing Repair Costs
6	Institutional Advancement	MH — Failure to align mission and goals w/ community needs	MH — Failure to cultivate and communicate with current & potential donors	MH — Failure to identify revenue producing programs and meet community needs	MH — Failure to prevent fraud, waste, and abuse	HL — Incur liability during children's programs	MM — Failure to adhere to ethical marketing	MM — Failure to develop and support donors	ML — Failure to identify grant opportunities	MM — Improper access and receipting of cash and credit card info	MM — Inability to identify qualified, affordable, and accessible staff	ML — Improper handling and security of program receipts
7	Information Technology	ML — Loss of communication channels	ML — Loss of instructional student support (D2L, etc.)	ML — Outdated equipment and software	LL — Inappropriate use of technology	LL — Mismanagement of Technology Access Fees						
8	Public Service	MH — Noncompliance with DSCC, state & federal regulations	MH — Lack of timely and accurate reporting	MH — Contractual obligation by unauthorized persons	MH — Inadequate records documentation and management	MH — Inadequate oversight of endowment	MH — Misappropriation of Donor Funds	MH — Failure to adhere to grant specs	ML — Failure to comply with donors wishes			

Dyersburg State Community College
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#	ACTIVITIES	22	23	24	25	26	27	28	29	30	31	32	33
1	Instruction & Academic Support	HL Failure to verify student identity	HL Lack of resources, both human and material	HL Failure to maintain connectivity among locations	MH Failure to communicate with students and employees	HL Failure to meet accreditation standards	HL Lack of response to industry needs	HL Inability to stay current in specific curricula	MH Failure to challenge gifted and talented students	HL Inadequate staffing and/or faculty resources	HL Failure to recruit and retain quality faculty	MH Failure to maintain appropriate records including catalog	MH Failure to meet student learning outcomes
2	Student Affairs												
3	Financial Management												
4	Institutional Support												
5	Physical Plant	MM Lack of adequate funding	LM Increasing Utility Costs										
6	Institutional Advancement	LM Inadequate alumni involvement	LL Loss/breach of data or PII (personally identifiable information)	LM Failure to maintain and store grants and other documents	LM Poor record management	LL Lack of safeguards in access to donor and student confidential documents	LM Exposure of student and donor PII (personally identifiable information)						
7	Information Technology												
8	Public Service												

#	ACTIVITIES		34		35		36		37		38		39		40		41		42		43		44		45
1	Instruction & Academic Support	HL	Inadequate instructional delivery methods	MH	Inadequate physical library facilities (all centers)	HL	Failure to provide materials and services to students and faculty/staff	HL	Poorly trained or In adequate staffing	MM	Conflict of Interest	MM	Excessive Workload	MM	Lack of resources for training	MM	Lack of a qualified full time faculty applicant pool	MM	Lack of a qualified minority applicant pool	ML	Inadequate staffing	ML	Failure to deliver proper advising services	MM	Lack of documentation of student learning analysis
2	Student Affairs																							
3	Financial Management																							
4	Institutional Support																							
5	Physical Plant																							
6	Institutional Advancement																							
7	Information Technology																							
8	Public Service																							

Dyersburg State Community College
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#	ACTIVITIES		46		47		48		49		50		51		52		53		54		55		56		57
1	Instruction & Academic Support	MM	Failure to report evidence of continual improvement	ML	Failure to report accurately	LH	Inefficient use of technology	ML	Inability to offer adequate classes	ML	Inability to meet the needs and interests of students	ML	Mishandling of financial resources	MM	Inaccurate records and thefts of library holdings and exhibits	ML	Inappropriate use of public computers	ML	Inappropriate release or loss of confidential information	LM	Inability to offer some Tennessee Transfer Pathways	LL	Failure to comply with Federal, State and TBR regulations	LL	Challenges to controversial materials in the library collections
2	Student Affairs																							
3	Financial Management																							
4	Institutional Support																							
5	Physical Plant																							
6	Institutional Advancement																							
7	Information Technology																							
8	Public Service																							

RISKS →

#	ACTIVITIES	1		2		3		4		5		6		7		8	
5	Instruction(8, 9, 19, 25, 37, 39, 40, 41)	HH	Failure to generate, analyze, & utilize institutional data	HH	Failure to manage retention dynamics	HH	Inadequate maintenance of facilities/resources(Fin., Physical, & HR)	HM	Controversial academic freedom issues	HM	Failure of an individual to maintain expertise in field	HM	Failure to hire qualified/effective faculty/staff	HM	Failure to maximize educational partnerships	HM	Inadequate faculty/staff development
2	Institutional Support(1, 6, 12, 13, 16, 17, 18, 20, 21, 26, 27, 28, 29, 33, 38)	HH	Improper management/utilization of resources	HH	Insufficient resources(financial)	HM	Failure to provide and maintain information technology to support college processes	HM	Ineffective leadership	HM	Natural disaster	HL	Failure to employ appropriate staff (untrained/unqualified)	HL	Poor donor relations	MH	Copyright infringement
3	Physical Plant(5, 10, 23, 24, 36, 43)	HH	Deferred maintenance	HH	Failure to prepare for emergency situations	HH	Failure to provide sufficient financial resources	HM	Failure to comply with ADA & applicable governing regulations	HM	Natural disaster	MH	Failure to provide sanitary environment	MH	Failure to provide timely response to work requests	MH	Misuse of equipment & supplies
4	Student Services(2, 3, 7, 14, 15, 30, 31, 34, 35, 37, 42, 44, 45)	HH	Failure to gather & utilize data for dev of an effective enrollment & retention plan	HM	Failure to generate strong & diverse applicant pool	HM	Ineffective leadership	MH	Failure to orient student to college campus	MH	Failure to provide enriching student life experiences	MH	Failure to provide prof dev & training for staff	MH	Inadequate technical support for adm processes	MM	Failure to adhere to FERPA & HIPPA
1	Auxiliary Enterprises(4, 11)	HM	Property damage	MH	Lack of ability to contract w/ vendors	MM	Inadequate customer base	MM	Ineffective communications	MM	Poor customer service	MM	Risk of contracted employees being injured	ML	Bankruptcy of contractor	ML	Failure to comply w/governmental regulations

#	ACTIVITIES	9	10	11	12	13	14	15	16
5	Instruction(8, 9, 19, 25, 37, 39, 40, 41)	HM Inappropriate Faculty/Staff Behavior	HM Inconsistent maintenance of appropriate pedagogical environment	HM Inconsistent use of professional standards and best practices	HM Ineffective classroom evaluation techniques	HM Ineffective development of academic schedules	HM Ineffective leadership	HL Maintaining appropriate technologies in specific disciplines	MH Ineffective advising systems
2	Institutional Support(1, 6, 12, 13, 16, 17, 18, 20, 21, 26, 27, 28, 29, 33, 38)	MH Failure to meet grant requirements	MH Inequitable compensation	MH Misuse of technology & equipment	MM Breach of confidentiality	MM Conflict of interest	MM Dissemination of false or inaccurate information	MM Failure to comply w/governing regulations	MM Failure to comply with donor restrictions
3	Physical Plant(5, 10, 23, 24, 36, 43)	MH Unattractive grounds and facilities	MM Failure to employ appropriate staff (untrained/unqualified)	MM Failure to provide routine maintenance	MM Failure to provide safe environment	MM Failure to receive and distribute in a safe & timely manner	MM Ineffective leadership	MM Interruption of utility services	MM Lack of supervision
4	Student Services(2, 3, 7, 14, 15, 30, 31, 34, 35, 37, 42, 44, 45)	MM Failure to adhere to governing P & Ps	MM Failure to equitably provide due process for student complaints & discipline	MM Failure to follow proper test administration & security guidelines	MM Failure to properly process student documents	MM Failure to provide accurate & timely information to students	MM Ineffective electronic communications w/students	ML Failure to assist students in finding adequate job placement and/or college transfer	ML Failure to follow appropriate health regulations, procedures and guidelines for both mental & physical conditions
1	Auxiliary Enterprises(4, 11)	ML Failure to meet supply & demand of customer base	ML Failure to provide accessible services	ML Food poisoning	ML Inappropriate staff behavior	ML Poor contractor performance	ML Price inflation	- n/a	- n/a

#	ACTIVITIES		17		18		19		20
5	Instruction(8, 9, 19, 25, 37, 39, 40, 41)	MM	Failure to communicate/ comply with governing P & Ps	MM	Failure to stay current with instructional technology	MM	Not being responsive to a business/general community need	-	n/a
2	Institutional Support(1, 6, 12, 13, 16, 17, 18, 20, 21, 26, 27, 28, 29, 33, 38)	MM	Improper handling of records	MM	Unethical/inappropriate behavior (affiliated external parties)	MM	Unethical/inappropriate behavior (employees)	MM	Unethical/inappropriate behavior (students)
3	Physical Plant(5, 10, 23, 24, 36, 43)	MM	Major system failure(HVAC, electrical, plumbing, etc)	MM	Waste, fraud, & abuse	ML	Failure to have adequate insurance for property, plant & equipment	ML	Lack of coordination with local authorities
4	Student Services(2, 3, 7, 14, 15, 30, 31, 34, 35, 37, 42, 44, 45)	ML	Failure to provide appropriate counseling	ML	Failure to safely transport students to college related activities	ML	Falsification of student records	ML	Injury to student during student activities
1	Auxiliary Enterprises(4, 11)	-	n/a	-	n/a	-	n/a	-	n/a

Motlow State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES	RISKS 1	2	3	4	5	6	7	8
3	Financial Management (7,8,9,15,16,17,18,22,25,27,28,29,31,39,40,42,43,44,46,49,50,53,54,59,63,71)	HM Failure to meet Complete College Act Goals	HM Misuse of procurement cards	HM Non-compliance of federal and state regulations	HM Significant loss of records	HL Non-compliance with grant requirements	MM Breach of security of records	MM Changes in financial systems (ERP)	MM Failure to reconcile in a timely manner
2	Academic Affairs & Instruction(1,2,3,4,5,6,19,22,29,31,34,39,40,42,49, 63,67,69,73,74)	HM Failure to retain students	HM Inadequately prepare graduates or certificate recipients	HL Non-compliance with standards	HL Grade inflation/deflation	MM Inadequate instructional facilities	MM Conflict of interest	MM Inadequate staffing and training	MM Inequitable or improper teaching loads
1	Student Services (10,11,22,24,29,39,40,42,49,51,52,57,59,60,61,63,64,65,66,68,67,69,73)	HM Declining Enrollment	HM Overawards or ineligible awards of financial aid	HL Loss of records	HL Non-compliance with standards (EADA, FISAP, SACS, crime reporting-state & fed)	MH Fraud, theft, waste, abuse	MM Changes in student systems (ERP)	MM Improper advising	MM Inadequate staffing and training
6	Physical Plant (14,20,29,36,38,39,40,41,42,45,47,48,49,62,63)	HM Inadequate emergency preparedness plan	HL Inadequate/aging infrastructure	HL Interruption of utility service	HL Lack of safe environment	MH Loss of facilities	MM Rising utility cost	MM Fraud, waste, theft, and abuse	MM Improper storage of hazardous materials
4	Information Technology & Academic Support(22,29,37,39,40,42,49, 59,70,72,73,74)	HL Inadequate disaster recovery	HL Inadequate library material	HL Lack of network/internet support	HL Loss of records or data	MH Computer virus	MM Fraud, waste, theft and abuse	MM Inadequate staffing and training	MM Loss of equipment
5	Institutional Support (22,23,26,29,30,31,32,33,35,38,39,40,42,49,53,63,69,71)	MH Change of leadership	MH Non-compliance with sexual harassment and discrimination policies	MM Conflict of interest	MM Improper training and staffing	MM No business continuity plan	MM Non-compliance with contract regulations	MM Security of records	MM Theft, fraud, waste, and abuse
7	Auxiliary Enterprises (12,13,21,49,55,56,63)	HL Loss of services	MH High cost of textbooks	MM Disruptions of supply chain	MM Improper staffing and training of employees	MM Inadequate facilities	ML Inadequate maintenance of equipment	LH Poor customer service	LL Bankruptcy of the contractor

Motlow State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		9		10		11		12		13		14		15
3	Financial Management (7,8,9,15,16,17,18,22,25,27,28,29,31,39,40,42,43,44,46,49,50,53,54,59,63,71)	MM	Inadequate staffing and training of employees	MM	Theft, fraud, waste, and abuse	ML	Failure to pay timely	ML	Inadequate technology	LL	Improper payments to vendors or employees	LL	Poor customer service	-	n/a
2	Academic Affairs & Instruction(1,2,3,4,5,6,19,22,29,31,34,39,40,42,49,63,67,69,73,74)	MM	Poor or inadequate advising	ML	Inability to retain qualified faculty	ML	Outdated instructional technology equipment	LL	Falsification of academic records	LL	Unprofessional behavior	-	n/a	-	n/a
1	Student Services (10,11,22,24,29,39,40,42,49,51,52,57,59,60,61,63,64,65,66,68,67,69,73)	MM	Non-compliance with standards (NJCAA)	ML	Improper handing of student records	ML	Student travel accidents with fatalities	LM	Failure to maintain safe environment	LL	Poor customer service	LL	student activities	LL	Student travel accidents with minor injuries
6	Physical Plant (14,20,29,36,38,39,40,41,42,45,47,48,49,62,63)	MM	Inadequate training and staffing	ML	Failure to follow state and federal regulations	LM	Inadequate preventative maintenance	-	n/a	-	n/a	-	n/a	-	n/a
4	Information Technology & Academic Support(22,29,37,39,40,42,49,59,70,72,73,74)	MM	Security breach	ML	Outdated or inadequate technology	LL	Non-compliance with TAF guidelines	LL	Poor customer service	-	n/a	-	n/a	-	n/a
5	Institutional Support (22,23,26,29,30,31,32,33,35,38,39,40,42,49,53,63,69,71)	ML	Failure to express concerns with legislature	ML	Failure to perform background or reference checks	ML	Fund raising improprieties	ML	Improper handling of records	ML	Non-compliance with affirmative action plan	-	n/a	-	n/a
7	Auxiliary Enterprises (12,13,21,49,55,56,63)	LL	Fraud, waste, theft, and abuse	LL	Loss of contractual revenue	LL	Mishandling of food	-	n/a	-	n/a	-	n/a	-	n/a

Major Process Risk Footprint
Nashville State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		RISKS 1		2		3		4		5
8	Financial Management	HL	Failure of Gateway To Transmit To Bank	HL	Failure To Collateralize Cash	HL	Fraudulent Wire Transfers	MM	Cash Theft Registration Deposit In Transit	MM	Cash Theft Through Alteration Of Checks
4	Information Technology	HL	Loss Of Data Center	HL	Malfunction Of Administrative System Software	MH	Inappropriate Use Of Computer Resources	MM	Failure To Define The It Architecture/Technological Direction	MM	Failure To Follow Accreditation, TBR, State, Federal And Campus Policies/Laws
6	Student Services	HL	Falsifying Records	MH	Inappropriate Use Of Computer Resources	MM	Conflict Of Interests	MM	Employee Turnover	MM	Failure To Appropriately Handle Student Grievances Or Appeals
3	Instruction (Non-Credit)	MH	Inappropriate Use Of Computer Resources	MM	Conflict Of Interests	MM	Failure To Achieve Course And Program Outcomes	MM	Failure To Follow Accreditation, TBR, State, Federal And Campus Policies/Laws	MM	Failure To Keep Course Offerings Competitive
1	Instruction (Credit)	MH	Inaccurate Time Reporting	MH	Inappropriate Use Of Computer Resources	MH	Purchasing Incorrect/Unnecessary Products	MM	Conflict Of Interests	MM	Employee Turnover
2	Academic Support	MH	Inappropriate Use Of Computer Resources	MM	Conflict Of Interests	MM	Failure To Achieve Course And Program Outcomes	MM	Failure To Prevent Identity Theft	MM	Falsifying Records
7	Institutional Support	MH	Inappropriate Use Of Computer Resources	MM	Conflict Of Interests	MM	Expenditure Of Funds In Non-Allowed Areas	MM	Failure To Comply With 501C3 Requirements	MM	Failure To Follow Accreditation, TBR, State, Federal And Campus Policies/Laws
5	Physical Plant	HL	Disasters - Fire, Tornado, And Explosions	HL	Inadequate Property Insurance	MM	Emergency Call Boxes	MM	Lack Of Backup To Key Admin Positions	MM	Lack Of Cross-Training
9	Auxiliary Enterprises	HL	Risk Of Failure Of External Contract Providers	MM	Not Providing Books	MM	Poor Customer Service	-	n/a	-	n/a

Major Process Risk Footprint
Nashville State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		6		7		8		9		10
8	Financial Management	MM	Failure To Collect Accounts Receivable	MM	Failure To Invest Cash Reserves	MM	Failure to Prevent Identity Theft	MM	Failure To Reconcile Daily Deposits	MM	Failure To Reconcile System Interfaces
4	Information Technology	MM	Failure To Install Product Upgrades In A Timely Manner	MM	Failure To Prevent Identity Theft	MM	Inaccurate Time Reporting	MM	Inadequate Access Control	MM	Inadequate Bandwidth
6	Student Services	MM	Failure To Follow Accreditation, TBR, State, Federal And Campus Policies/Laws	MM	Failure To Follow Federal Requirements	MM	Failure to Prevent Identity Theft	MM	Fraudulent Residency Classification	MM	Improper Financial Aid Awards
3	Instruction (Non-Credit)	MM	Failure To Prevent Identity Theft	MM	Falsifying Records	MM	Ineffective Recruitment And Retention	MM	Length Of Time Needed To Process Non TBR Agreements	MM	Poor Communication
1	Instruction (Credit)	MM	Failure To Prevent Identity Theft	MM	Improperly Disposing Of Surplus	MM	Inability To Lock Doors From The Inside	MM	Ineffective Academic Advising	MM	Length Of Time Needed To Process Non TBR Agreements
2	Academic Support	MM	Improperly Disposing Of Surplus	MM	Lack Of Backup To Key Admin Positions	MM	Lack Of Cross-Training	MM	Lack Of Library's Resources On Off Campus Sites	MM	Lack Of Training
7	Institutional Support	MM	Failure To Follow Federal Requirements	MM	Failure To Increase Endowments	MM	Failure to Prevent Identity Theft	MM	Falsifying Records	MM	Improperly Disposing Of Surplus
5	Physical Plant	MM	Not Monitoring Budgets For Overspending	MM	Purchasing Fraud	MM	Purchasing Incorrect/Unnecessary Products	MM	Purchasing Products That Are More Expensive Than Necessary	MM	Theft
9	Auxiliary Enterprises	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a

Major Process Risk Footprint
Nashville State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		11		12		13		14		15
8	Financial Management	MM	Failure To Transfer Cash From Investments To Bank Accounts In A Timely Manner	MM	Failure To Transmit And Settle Credit Card Batches	MM	Inaccurate Time Reporting	MM	Posting Entries Incorrectly	MM	Purchasing Fraud
4	Information Technology	MM	Inadequate Preventative Maintenance	MM	Interruption Of Utility Service	MM	Lack Of Appropriate System Back Up	MM	Lack Of Backup To Key Admin Positions	MM	Not Monitoring Budgets For Overspending
6	Student Services	MM	Improperly Disposing Of Surplus	MM	Inaccurate Information In Catalog And Schedules	MM	Incomplete Student Records	MM	Ineffective Academic Advising	MM	Malfunction Of Administrative System Software
3	Instruction (Non-Credit)	MM	Poor Customer Service	MM	Poor Leadership	MM	Poor Oversight	MM	Poor Risk Assessment	MM	Poor Supervision
1	Instruction (Credit)	MM	Not Monitoring Budgets For Overspending	MM	Poor Customer Service	MM	Poor Risk Assessment	MM	Poor Supervision	MM	Theft
2	Academic Support	MM	Not Monitoring Budgets For Overspending	MM	Poor Leadership	MM	Poor Oversight	MM	Poor Risk Assessment	MM	Poor Supervision
7	Institutional Support	MM	Ineffective Monitoring Of Existing Grants	MM	Lack Of Backup To Key Admin Positions	MM	Lack Of Clear Roles And Responsibilities	MM	Not Auditing Strategic Areas	MM	Not Monitoring Budgets For Overspending
5	Physical Plant	MM	Waste Or Abuse	ML	Age And Condition Of Facilities	ML	Conflict Of Interests	ML	External Lighting	ML	Failure To Follow Accreditation, TBR, State, Federal And Campus Policies/Laws
9	Auxiliary Enterprises	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a

Northeast State Community College
Enterprise Wide Risk Footprint
May 2015

RISKS

#	ACTIVITIES	1	2	3	4	5	6	7	8	9	10
5	Institutional Support (57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73)	HM Failure to align mission and goals with community needs	HM Failure to follow state, federal, and local laws and regulations	HM Mismanagement of funds	HM Failure to plan for emergencies	HM Insufficient financial resources	HM SACSCOC non-compliance	HM Failure of data systems	HM Failure to follow purchasing procedures	HM Failure to detect fraud, waste, and abuse	HM Failure to properly assess internal controls
6	Information Technology (74, 75, 76, 77, 78, 79)	HM Inadequate disaster recovery	HM Inadequate infrastructure	HL Inadequate technology planning/ oversight	HL Loss of data	HL Loss of funding to support function	HL Natural disaster	HL Terrorism, sabotage	MM Inability to hire appropriate employees	MM Inadequate employee training	MM Inadequate end-user training
4	Instruction & Academic Support (45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56)	HL Loss of community support for academic programs	HL Loss of institutional accreditation	MH Competition from other educational providers	MH Loss of academic personnel	MH Shortage of qualified adjunct faculty	MH Student academic dishonesty	MM Barriers to transfers to other institutions for students	M M Changes in leadership	MM Errors in academic advising	MM Failing technology access
2	Financial Management (18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 34)	MH Financial errors contributing to a qualified audit opinion	MH Conflict of interest	MH Excessive employee turnover	MH Fraud, waste and abuse	MH Inadequate security during high-volume times	MH Insufficient data backup	MH Purchasing irregularities	MM Change in financial reporting systems	MM Failure to follow Policies and Procedures	MM Financial problems of vendors
3	Physical Plant (35, 36, 37, 38, 39, 40, 41, 42, 43, 44)	HL Airport disaster	HL Natural disaster	HL Outbreak of infectious disease	MH Escalation of utility costs	MH Inadequate capital funding	MH Inadequate key control	MH Inadequate security of capital assets	MH Theft, waste, abuse of assets	MM Equipment failure	MM Inadequate employee safety training
1	Student Services (1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17)	HL Infectious disease outbreak	HL Loss of student data	MM Failure to comply w/ federal, state regulations	MM Failure to comply w/grant stipulations	MM Failure to follow Policies & Procedures	MM Failure to process financial aid applications timely	MM Falling enrollment	MM Fraud, theft, waste, abuse	MM Improper use of student activity fees	MM Inaccurate student records
7	Auxiliary Enterprises (80, 81, 82, 83)	HL Bankruptcy of a contractor	HL Fire	MH Food poisoning	M M Competition	MM Disruption of supply chain	M M Unsafe environment	M M Unsanitary environment (negative health inspection)	- n/a	- n/a	- n/a

Northeast State Community College
Enterprise Wide Risk Footprint
May 2015

#	ACTIVITIES	11		12		13		14		15		16	
5	Institutional Support (57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73)	HL	Unprofessional/ unethical behavior with stakeholders	HL	Not following donor award specification	MM	Failure to meet institutional strategic planning objectives	MM	Lack of back-up for key personnel	MM	Improper employment, advancement, and termination practices	MM	Lack of maintenance of confidentiality of records
6	Information Technology (74, 75, 76, 77, 78, 79)	MM	Interruption of services	MM	Lack of appropriate data security	MM	Loss of key personnel	MM	Outdated technology	MM	Poor customer service	-	n/a
4	Instruction & Academic Support (45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56)	MM	Failure to comply with fed & state laws and regulations	MM	Failure to retain students	MM	Impact of economic forces outside college's control	MM	Inadequate space available for instruction	-	n/a	-	n/a
2	Financial Management (18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 34)	MM	Inadequate staffing	MM	Inadequate state funding	MM	Erroneous payroll disbursements	MM	Improper payments to vendors	MM	Loss of financial records	-	n/a
3	Physical Plant (35, 36, 37, 38, 39, 40, 41, 42, 43, 44)	MM	Loss of key personnel	MM	Loss of leadership	MM	Unsafe facilities	ML	Ageing infrastructure	ML	Disrupted access to campus	-	n/a
1	Student Services (1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17)	MM	Inadequate Advising	MM	Over awarding financial aid	MM	Poor customer service	ML	Failure to maintain safe environment for students	ML	Improper handling of student disciplinary actions	-	n/a
7	Auxiliary Enterprises (80, 81, 82, 83)	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a

PELLISSIPPI STATE COMMUNITY COLLEGE
ENTERPRISE RISK FOOTPRINT
MAY 2015

RISKS

#	MAJOR ACTIVITIES	1	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10
1	INSTRUCTION & ACADEMIC SUPPORT	HM	Failure to meet funding performance requirements of the Complete College Act	HM	Failure to retain students	MH	Impact of system or statewide initiatives at the campus level	MH	Lack of adequate funding	MM	Aging faculty	MM	Competition	MM	Graduation rates	MM	Inability to hire and retain qualified faculty	MM	Increased reporting requirements (federal, state, institutional, etc.)	MM	Insufficient availability of qualified adjunct instructors
2	STUDENT SERVICES	HL	Incidents of violent behavior	MM	Failure to follow disciplinary rules/ due process	MM	Failure to follow policies and procedures	MM	Failure to provide adequate support services for students with disabilities	MM	Failure to retain students	MM	Fraud, theft, waste, and abuse	MM	Inadequate supervision of student activities	MM	Inefficient admissions process	MM	Low graduation rates	MM	Poor customer service
6	INFORMATION TECHNOLOGY	HL	Natural disaster	MM	Breach of security / confidentiality	MM	Complications of operating and maintaining BANNER systems	MM	Copyright infringement	MM	Impact of system initiatives at the campus levels	MM	Inadequate staffing / employee turnover / unable to hire qualified staff	MM	Insufficient data/ reports for decision making	MM	Lack of adequate funding	MM	Lack of disaster recovery planning	MM	Outdated technology
4	PHYSICAL PLANT	HL	Natural disasters	HL	Terrorism/ sabotage/ violent behavior	MM	Aging infrastructure	MM	Improper handling of hazardous materials	MM	Inadequate emergency planning	MM	Inadequate funding	MM	Inadequate security of assets	MM	Inadequate training of staff	MM	Increasing utility costs	MM	Vandalism/ fraud/ theft/ waste/ and abuse
3	FINANCIAL MANAGEMENT (includes Auxiliaries)	MM	Difficulty related to contract administration	MM	Errors, mistatements or misclassifications of items in the financial statements	MM	Inability to access online data	MM	Inadequate staffing	MM	Inadequate training of employees	MM	Noncompliance with federal and state regulations	MM	Poor inventory management	ML	Conflict of interest	ML	Employee turnover	ML	Erroneous payroll disbursements
5	INSTITUTIONAL SUPPORT	HL	Terrorism / sabotage / violent behavior	MM	Inability to raise funds	MM	Inadequate planning and assessment	MM	Inadequate staffing / compensation	MM	Nonfunded mandates	ML	Failure of funding allocations to align with mission and objectives	ML	Fund raising improprieties	ML	Inadequate emergency responses	ML	Negative perspective from external constituencies	ML	Poor media relations
8	BUSINESS AND COMMUNITY SERVICES	HL	Failure to ensure children are safe and secure while on campus	MH	Loss of key personnel	MM	Failure to correctly bill and invoice clients	MM	Failure to properly advise clients	MM	Fraud, theft, waste and abuse	MM	Loss of contracts (SBA, Chamber, Banks relates to TSBDC)	MM	Poor Customer Service	MM	Private Competition	n/a	0	n/a	0
7	FINANCIAL AID	HL	Excessive default rates	MM	Failure to follow federal state laws & regulations	MM	Failure to follow policies & procedures	MM	Fraud, theft, waste and abuse	MM	Poor customer services	ML	Improper financial aid counseling	ML	Mismanagement of financial aid programs	n/a	0	n/a	0	n/a	0

PELLISSIPPI STATE COMMUNITY COLLEGE
ENTERPRISE RISK FOOTPRINT
MAY 2015

#	MAJOR ACTIVITIES	11	11	12	12	13	13	14	14	15	15	16	16	17	17	18	18	19	19	20	20
1	INSTRUCTION & ACADEMIC SUPPORT	MM	Lack of facilities	MM	Noncompetitive faculty salaries	MM	Over reliance on part-time faculty	MM	Resistance to change	ML	Equipment and technology failures	ML	Failure of the institution to adopt appropriate technology to support the classroom	ML	Grade inflation	ML	Inappropriate faculty behavior	ML	Incomplete / Falsified academic credentials	ML	Insufficient professional development for academic personnel
2	STUDENT SERVICES	MM	Significant changes in enrollment	ML	Failure to follow federal and state laws and regulations	ML	Failure to maintain safe environment for students	ML	Failure to properly manage transfer credit	ML	Improper advising	ML	Improper counseling	LM	Significant tuition increase	n/a	0	n/a	0	n/a	0
6	INFORMATION TECHNOLOGY	MM	Poor customer service	ML	Lack of backups / Inability to restore backups	ML	Major vendor changes	ML	Sabotage	ML	System failure	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0
4	PHYSICAL PLANT	ML	Failure to perform routine maintenance	ML	Noncompliance with federal and state regulations	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0
3	FINANCIAL MANAGEMENT (includes Auxiliaries)	ML	Failure to follow policies and procedures	ML	Failure to record and collect receivables	ML	Fraud/ embezzlement	ML	Improper/ erroneous payment to vendors	ML	Inaccurate reporting	ML	Inappropriate expenditure of grant funds	ML	Loss of records	ML	Purchasing irregularities	n/a	0	n/a	0
5	INSTITUTIONAL SUPPORT	ML	Violation of federal and state laws / policies and procedures	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0
8	BUSINESS AND COMMUNITY SERVICES	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0
7	FINANCIAL AID	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0

ROANE STATE COMMUNITY COLLEGE
ENTERPRISE RISK FOOTPRINT
RISK FOOTPRINT
MAY 2015

RISKS

#	MAJOR ACTIVITIES	1	2	3	4	5	6	7	8	9	10
3	Institutional Support	HM Inadequate emergency preparedness planning/ response/ preparation/ awareness	MH Lack of and/or inadequate business continuity planning	MH Loss of institutional autonomy for decision making	MM Failure to adequately monitor grant funding or comply with grant requirements	MM Failure to comply and/or monitor compliance with SACS requirements	MM Failure to maintain key control/secure buildings	MM Failure to monitor institutional effectiveness	MM Failure to raise external resources to support institutional goals	MM Inability/failure to recruit and hire qualified faculty/staff that perform at an acceptable level	MM Inadequate and/ or ineffective advertising
1	Instruction and Academic Support	HM Significant decline in FTE/workforce contact hours/ completion benchmarks/changes in enrollment patterns including dual studies	MH Significant reductions and/ or lack of adequate funding	MM Clinical accidents/ mistakes/ student accidents/ injuries	MM Communications network failure/ equipment/ facility systems failures	MM Competition for Health Science Programs/ clinical sites	MM Excessive reliance on adjunct faculty	MM Failure to build appropriate schedule to meet student needs	MM Failure to identify and assess program and student learning outcomes	MM Fraud, waste, and/or abuse	MM Inability/ failure to recruit and hire competent, qualified faculty/ adjunct faculty
2	Student Services	HM Significant decline in FTE/workforce contact hours/ completion benchmarks/ changes in enrollment patterns including dual studies	MH Competition for students	MM Awards to ineligible students	MM Communications network/ webpage failure/ interruption	MM Errors in data/ reports	MM Failure to comply with applicable laws and policies	MM Failure to maintain accurate, up-to-date student records/ archived student records	MM Failure to retain/ graduate students	MM Inadequate security/ inappropriate release of student records/ protected information	MM Inadequate/ inappropriate counseling/ career services
7	Workforce Development	MH Failure to maintain business/industry/ government alliances/ partnerships	MM Accident or injury of participant in Continuing Education/ Workforce Development activities	MM Competition for qualified faculty/ training contracts/ partnerships, funds/grants	MM Error in reporting	MM Errors in collection/ assessment of fees	MM Failure to comply/ complete grant requirements/ benchmarks	MM Failure to monitor program effectiveness	MM Fraud and/or theft by participants/ others	MM Inaccurate reporting of workforce contact hours	MM Lack of integration within the College
5	Financial Management	HL Failure to update building and contents value for insurance	MM Banner systems failure/network/ hosting disruption	MM Errors, mistatements, and/or untimely financial reports	MM Errors/ untimely payments to employees, vendors, or others	MM Failure to comply with applicable laws, regulations, and/or policies	MM Failure to comply with health codes/food borne illnesses, etc	MM Failure to have appropriate textbooks and supplies	MM Inability to secure and retain bookstore/food service contractor	MM Inadequate internal controls	MM Inadequate security/ inappropriate release of student/ employee records/ protected information
6	Information Technology	HL Fire or Natural Disaster	HL Inadequate disaster recovery/ business continuity planning	MM Computer Center environmental controls/ system failure	MM Failure to attract and/ or retain qualified employees	MM Failure to integrate technology across the institution on a timely basis	MM Inadequate training/ professional development	MM Loss of control over College/ privacy data via emerging technologies and mobile storage devices	MM Network outages (campus network, hosted systems, internet)	MM Power Outages	ML Access to systems/data not adequately controlled
4	Facility Operations/ Maintenance	HL Fire and/or natural disaster	MM Accidents/ injuries - Expo Center	MM Deferred maintenance for aging facilities and infrastructure	MM Employee/ student/ other injuries and accidents	MM Failure to comply with applicable laws, regulations, and/ or policies including hazardous waste	MM Fraud, waste and/or abuse	MM Inadequate capital maintenance funding/planning	MM Inadequate maintenance services for off-campus centers	MM Inadequately trained personnel	MM Infrastructure/ building system failures

ROANE STATE COMMUNITY COLLEGE
ENTERPRISE RISK FOOTPRINT
RISK FOOTPRINT
MAY 2015

		RISKS																			
#	MAJOR ACTIVITIES	11	11	12	12	13	13	14	14	15	15	16	16	17	17	18	18	19	19	20	20
3	Institutional Support	MM	Inadequate/inefficient/inappropriate resources/resource allocation to support mission and goals	MM	Lack of and/or failure to comply with policies and procedures	MM	Lack of competitive salaries/employee turnover	MM	Lack of institutional "succession" planning for key positions	ML	Failure to adequately promote College's role/value	ML	Failure to comply with reporting requirements/deadlines	ML	Failure to maintain/cultivate appropriate relationship with donors/Foundation Board	ML	Failure to provide safe, secure campuses	ML	Fraud, waste, and/or abuse	ML	Inadequate and/or inaccurate institutional reports/research
1	Instruction and Academic Support	MM	Lack of professional development training	MM	Momentum/D2L instructional support system failure/security breach/data compromise/denial of service attack	MM	Poor or inadequate academic advisement	ML	Failure to comply with Complete College Act, US Dept of ED requirements	ML	Failure to ensure comparable instructional quality from campus to campus	ML	Failure to maintain appropriate program advisory committees	ML	Failure to maintain current, updated, high quality programs/curriculum responsive to service area needs	ML	Failure to secure/maintain accreditation of eligible programs	ML	Lack of adequate space conducive to effective instruction activities	ML	Lack of and/or inadequate academic support resources (Library, Learning Ctrs, Distance Education, Advisement)
2	Student Services	MM	Lack of resources for/failure to provide adequate services at off-campus centers	MM	Lack of student friendly enrollment process	MM	Poor customer service	MM	Violent and/or disruptive student or others	ML	Banner systems failure/network/hosting disruption	ML	Failure to comply with NJCCAA/TCCAA requirements	ML	Failure to provide adequate access/accomodations for disabled students	ML	Fraud, waste, and/or abuse	ML	Inability to place graduates/lower placement rates	n/a	0
7	Workforce Development	MM	Lack of internal funding/funding to sustain programs/equipment	MM	Lack of or inadequate business continuity planning	MM	Lack of qualified faculty	MM	Loss of students	MM	Loss of support for non-credit training	ML	Mismanagement of budgets	ML	Embezzlement/misappropriation of funds by employees	ML	Mismanagement of contract/grant agreements	ML	Poor quality instruction	ML	Poorly developed curriculum
5	Financial Management	MM	Lack of oversight of budget management consistent with mission, objectives, and availability of resources	MM	Lack of timely reconciliation of accounts/financial records	MM	Poor or inadequate customer service	MM	State audit reports not issued timely	MM	Untimely billings/collections of accounts receivable	ML	Failure to manage cash to ensure liquid resources to meet operational needs	ML	Fraud, waste, and/or abuse	n/a	0	n/a	0	n/a	0
6	Information Technology	ML	Breach of network/system security	ML	Failure to adequately educate/train users	ML	Failure to implement software upgrades, fix errors, perform backups on a timely basis	ML	Failure to perform important IT support functions timely/regularly	ML	Hardware and/or software failure/flaws	ML	Inadequate physical security of servers/network equipment	ML	Inadequate virus protection	ML	Poor customer service	n/a	0	n/a	0
4	Facility Operations/Maintenance	MM	Motor vehicle accidents	MM	Poor contractors/sub-contractors of facilities/inability to secure custodial contract	MM	Theft/vandalism	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0	n/a	0

Southwest Tennessee Community College
Enterprise Risk Footprint
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#	ACTIVITIES	RISKS 1	2	3	4	5	6	7	8	9
1	Information Technology Systems	HH — Failure to comply with federal, state. local and governing board laws, regulations and guidelines	HH — Improper /negligent hiring	HH — Poor or Insufficient mainframe backup strategy/resources	HM — Ineffective administrative computer system support	HM — Ineffective institutional disaster recovery plan	HM — Insufficient data & network security measures	HL — Abuse of power (position, rank or title)	HL — Inadequate preparedness for a catastrophic event such as a natural disaster or terrorism	HL — Inadequately trained/cross-trained employees
2	Financial Management 2	HH — Failure to comply with federal, state. local and governing board laws, regulations and guidelines	HL — Abuse of power (position, rank or title)	HL — Failure to conduct background & reference checks for employees with access to confidential records and/or in a sensitive position	HL — Inadequate internal audit/monitoring review process	HL — Inadequately trained/cross-trained employees	MH — Failure to investigate and resolve all complaints	MH — Inability to attract and retain qualified faculty and/or staff	MH — Inadequate and/or inconsistent application of policies & procedures	MH — Inadequate resources (staffing, supplies, equipment, facilities)
3	Instruction and Academic Support	HH — Failure to comply with federal, state and local laws, regulations and guidelines	HM — Inadequate quality of instruction	HL — Ineffective strategic planning and management	HL — Inadequate internal audit/monitoring review process	HL — Inadequately trained/cross-training employees	HL — Ineffective, inappropriate or offensive external communications	HL — Lack of security with confidential records	HL — Loss of internet access	HL — Non-compliance with generally-accepted accounting guidelines
4	Student Services	HH — Failure to comply with federal, state. local and governing board laws, regulations and guidelines	HM — Ineffective enrollment processes	HM — Ineffective strategic planning and management	HL — Failure to comply with funders expectations	HL — Failure to conduct background & reference checks for employees with access to confidential records and/or in a sensitive position	HL — Inadequate internal audit/monitoring review process	HL — Inadequately trained/cross-trained employees	HL — Lack of security with confidential records	HL — Failure to investigate and resolve all complaints
5	Physical Plant	HH — Failure to comply with federal, state. local and governing board laws, regulations and guidelines	HH — Inadequate preparedness for a catastrophic event such as a natural disaster or terrorism	MH — Failure to investigate and resolve all complaints	MH — Inappropriate employee behavior	MH — Inadequate resources (staffing, supplies, equipment, facilities)	MH — Ineffective allocation of personnel or budgets	MH — Insufficient routine/preventative maintenance of Plant and equipment	MH — Theft, fraud and waste of institutional assets	HL — Abuse of power (position, rank or title)
6	Financial Management 1	HH — Failure to comply with federal, state. local and governing board laws, regulations and guidelines	HM — Ineffective institutional disaster recovery plan	HL — Ineffective strategic planning and management	HL — Abuse of power (position, rank or title)	HL — Inadequate internal audit/monitoring review process	HL — Inadequately trained/cross-trained employees	HL — Ineffective, inappropriate or offensive external communications	HL — Lack of security with confidential records	HL — Non-compliance with generally-accepted accounting guidelines
7	Enrollment Management	HM — Ineffective enrollment processes	HL — Barriers to student success - course scheduling, availability of administrative services, counseling services, ease of admissions process, etc.	HL — Inadequate or ineffective telecom management	HL — Inadequately trained/cross-trained employees	HL — Ineffective administrative computer system support	HL — Lack of security with confidential records	HL — Loss of internet access	MH — Failure to investigate and resolve all complaints	MH — Failure to keep software up to date
8	Student Services 2	HH — Failure to comply with federal, state. local and governing board laws, regulations and guidelines	HH — Improper /negligent hiring	HH — Lack of security with confidential records	HH — Poor persistence of students to graduation (low student retention)	HM — Failure to comply with professional and accrediting agency guidelines	HL — Abuse of power (position, rank or title)	HL — Barriers to student success - course scheduling, availability of administrative services, counseling services, ease of admissions process, etc.	HL — Inadequately trained/cross-trained employees	HL — Loss of internet access
9	Administrative Support	HH — Failure to comply with federal, state. local and governing board laws, regulations and guidelines	HM — Ineffective enrollment processes	HM — Ineffective strategic planning and management	HL — Failure to comply with funders expectations	HL — Failure to conduct background & reference checks for employees with access to confidential records and/or in a sensitive position	HL — Inadequately trained/cross-trained employees	HL — Lack of security with confidential records	MH — Failure to investigate and resolve all complaints	MH — Inadequate resources (staffing, supplies, equipment, facilities)

Southwest Tennessee Community College
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#	ACTIVITIES	10	11	12	13	14	15	16	17	18
1	Information Technology Systems	HL Loss of internet access	MH Failure to investigate and resolve all complaints	MH Failure to keep software up to date	MH Inappropriate employee behavior	MH Inadequate and/or inconsistent application of policies & procedures	MH Inadequate resources (staffing, supplies, equipment, facilities)	MH Ineffective allocation of personnel or budgets	MH Insufficient software license control and management	MH Theft, fraud and waste of institutional assets
2	Financial Management 2	MH Theft, fraud and waste of institutional assets	LH Inaccurate advising	MM Failure to follow institutional policies and procedures	MM Failure to take advantage of collaborative opportunities	MM Inadequate external/internal communications	MM Inadequate registration/refund procedures	MM Ineffective, improper or inaccurate management of records and record keeping.	MM Insufficient Professional Development program or staff training resources	MM Purchases inconsistent with the goals and objectives of the College
3	Instruction and Academic Support	MH Failure to investigate and resolve all complaints	MH Inability to attract and retain qualified faculty and/or staff	MH Inadequate and/or inconsistent application of policies & procedures	MH Inadequate resources (staffing, supplies, equipment, facilities)	MH Inappropriate faculty, staff or volunteer behavior	MH Ineffective allocation of personnel or budgets	MH Theft, fraud and waste of institutional assets	MM Ineffective employee behavior	MM Ineffective employee training/cross training
4	Student Services	MH Failure to maintain an appropriate cultural/ethical environment	MH Inadequate and/or inconsistent application of policies & procedures	MH Inadequate resources (staffing, supplies, equipment, facilities)	MH Inappropriate faculty, staff or volunteer behavior	MH Theft, fraud and waste of institutional assets	MM Failure to follow institutional policies and procedures	MM Failure to take advantage of collaborative opportunities	MM Improper documentation for Expenses and Revenue	MM Ineffective employee training/cross training
5	Physical Plant	HL Inaccurate reporting of capital assets and physical facilities inventory for Capital Budget Requests	HL Inaccurate valuation of plant assets for state insurance coverage	HL Inadequately trained/cross-trained employees	HL Insufficient resources for physical plant renewals and replacements	MM Failure to follow institutional policies and procedures	MM Failure to properly dispose of hazardous materials	MM Inadequate energy conservation management	MM Ineffective employee behavior	MM Ineffective employee training/cross training
6	Financial Management 1	MH Inability to attract and retain qualified faculty and/or staff	MH Inadequate and/or inconsistent application of policies & procedures	MH Inadequate resources (staffing, supplies, equipment, facilities)	MH Inappropriate faculty, staff or volunteer behavior	MH Theft, fraud and waste of institutional assets	MM Failure to follow institutional policies and procedures	MM Ineffective employee behavior	MM Ineffective employee training/cross training	MM Ineffective, improper or inaccurate management of records and record keeping.
7	Enrollment Management	MH Failure to maintain an appropriate cultural/ethical environment	MH Inaccurate advising	MH Inappropriate employee behavior	MH Inadequate resources (staffing, supplies, equipment, facilities)	MM Failure to follow institutional policies and procedures	MM Inadequate external/internal communications	MM Inadequate fact-based decision making	MM Ineffective employee behavior	MM Ineffective employee training/cross training
8	Student Services 2	MH Failure to investigate and resolve all complaints	MH Failure to keep software up to date	MH Inappropriate employee behavior	MH Inadequate and/or inconsistent application of policies & procedures	MH Inadequate resources (staffing, supplies, equipment, facilities)	ML Excessive employee turnover / inadequate planning for transfer of knowledge due to attrition	ML Inability to maintain high placement rate - through provision of inadequate service, teaching, etc.	LH Inaccurate advising	MM Failure to follow institutional policies and procedures
9	Administrative Support	MH Ineffective allocation of personnel or budgets	MH Theft, fraud and waste of institutional assets	MM Abuse of power (position, rank or title)	MM Improper /negligent hiring	MM Inadequate external/internal communications	MM Inadequate fact-based decision making	MM Ineffective employee training/cross training	MM Ineffective, improper or inaccurate management of records and record keeping.	MM Insufficient Professional Development program or staff training resources

#	ACTIVITIES	19		20		21		22		23		24		25		26		27
1	Information Technology Systems	ML	Failure to have and follow student disciplinary policies and procedures	ML	Inadequate long-term planning/short-sighted planning	ML	Ineffective network resources	ML	Ineffective planning and management of TAF	MM	Failure to follow institutional policies and procedures	MM	Ineffective desktop and lab support	-	n/a	-	n/a	-	n/a
2	Financial Management 2	ML	Excessive employee turnover / inadequate planning for transfer of knowledge due to attrition	ML	Failure to maintain a clean and safe environment	ML	Failure to perform financial reconciliations	ML	Inadequate separation of job duties	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
3	Instruction and Academic Support	ML	Ineffective, improper or inaccurate management of records and record keeping.	ML	Insufficient Professional Development program or staff training resources	ML	Capricious tenure process	ML	Failure to perform financial reconciliations	ML	Inadequate long-term planning/short-sighted planning	ML	Inconsistent application of published student policies and procedures, catalogs, student handbook, etc.	-	n/a	-	n/a	-	n/a
4	Student Services	MM	Ineffective, improper or inaccurate management of records and record keeping.	MM	Insufficient Professional Development program or staff training resources	MM	Insufficient security services for campus resources	ML	Excessive employee turnover / inadequate planning for transfer of knowledge due to attrition	ML	Failure to comply with Dept. of Human Services Regulations (Child Care)	ML	Failure to maintain a clean and safe environment	ML	Failure to perform financial reconciliations	ML	Improper financial payments or disbursements	ML	Inadequate campus security
5	Physical Plant	MM	Inequitable budget allocations	MM	Insufficient Professional Development program or staff training resources	ML	Purchases inconsistent with the goals and objectives of the College	ML	Excessive employee turnover / inadequate planning for transfer of knowledge due to attrition	ML	Failure to maintain a clean and safe environment	ML	Insufficient physical plant services and storage	-	n/a	-	n/a	-	n/a
6	Financial Management 1	MM	Insufficient Professional Development program or staff training resources	MM	Purchases inconsistent with the goals and objectives of the College	ML	Excessive employee turnover / inadequate planning for transfer of knowledge due to attrition	ML	Failure to perform financial reconciliations	ML	Improper financial payments or disbursements	ML	Inadequate Cash Management	ML	Inadequate separation of job duties	-	n/a	-	n/a
7	Enrollment Management	MM	Ineffective, improper or inaccurate management of records and record keeping.	MM	Excessive employee turnover / inadequate planning for transfer of knowledge due to attrition	ML	Excessive employee turnover / inadequate planning for transfer of knowledge due to attrition	ML	Failure to maintain a clean and safe environment	ML	Inadequate separation of job duties	ML	Inconsistent application of published student policies and procedures, catalogs, student handbook, etc.	-	n/a	-	n/a	-	n/a
8	Student Services 2	MM	Inadequate external/internal communications	MM	Inadequate fact-based decision making	MM	Ineffective employee training/cross training	MM	Ineffective, improper or inaccurate management of records and record keeping.	MM	Insufficient Professional Development program or staff training resources	-	n/a	-	n/a	-	n/a	-	n/a
9	Administrative Support	ML	Excessive employee turnover / inadequate planning for transfer of knowledge due to attrition	ML	Failure to meet community's continuing education needs	ML	Inadequate campus security	ML	Inadequate long-term planning/short-sighted planning	ML	Inadequate separation of job duties	-	n/a	-	n/a	-	n/a	-	n/a

Volunteer State Community College
Enterprise-Wide Risk Footprint
May 2016

			RISKS													
#	ACTIVITIES		1		2		3		4		5		6		7		8
9	Instruction	HH	Aggrandized faculty credentials	HH	Failure to attract students/low enrollment	HH	Failure to meet quality standards	HH	Grade inflation	HH	Lack of adequate funding	HL	Unqualified graduates	MH	Inability to attract expertise	MH	Instructional Methodology Standards
3	Regulatory Compliance	HH	Failure to comply with federal/state/local guidelines	HH	Failure to meet accreditation standards	HH	Improper systematic awarding of student financial aid	MH	Failure to follow policies and procedures	MH	Copyright or trademark infringement	MH	Lack of compliance with FERPA	MH	Lack of Title IX Compliance	MH	Failure to comply with NJCAA policies and procedures
2	Human Capital Management	HH	Failure to implement continuous improvement	HH	Failure to verify credentials and qualifications	HH	Lack of financial resources	MH	Failure to maintain appropriate faculty and staff levels	MH	Conflict of interest	MH	Failure to attract and retain qualified personnel	MH	Failure to develop and implement adequate staffing and salary plan	MH	Inadequate training and professional development
1	Financial Management	HH	Inappropriate use of student fees	HM	Decrease in revenue stream	HM	Failure to maintain adequate records	HL	Financial deficit/cash shortfall	MH	Fraud, theft, and abuse	MH	Misreporting/misleading information	MM	Failure to comply with GASB and other regulatory groups	MM	Failure to follow prescribed business policies and procedures
4	External Partnerships	HH	Failure to maintain beneficial government and community relationships	MH	Failure to maintain adequate collaborative relationships	MH	Failure to maintain adequate TCAT relationship	MM	Inability to meet community needs	MM	Difficulty/challenges with foundation board		n/a	-	n/a	-	n/a
5	Crisis Management	HM	Failure to maintain appropriate system-wide emergency preparedness plan	HL	Inadequate Man-made or Natural Disaster Recovery	HL	Maintain a Comprehensive Security System	MM	Dissemination of incorrect/inaccurate/inappropriate information	MM	Insufficient emergency funding		n/a		n/a		n/a

Volunteer State Community College
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#	ACTIVITIES		9		10		11		12		13		14		15
9	Instruction	MH	Unqualified students	MM	Challenges/threats to academic freedom	MM	Inappropriate behavior of faculty and staff	MM	Inequitable or improper teaching loads	MM	Lack of faculty diversification	MM	Liability related to consistent quality off-campus instruction	MM	Retention of expertise
3	Regulatory Compliance	MM	Failure to comply with GASB and other regulatory groups	MM	Failure to follow appropriate Hazmat procedures	MM	Lack of adherence to ADA Compliance	MM	Poor internal audit/inappropriate controls	-	n/a	-	n/a	-	n/a
2	Human Capital Management	MH	Inappropriate employee behavior	MM	Change in leadership	MM	Loss of historical system knowledge due to staff turnover	ML	Failure to protect employee rights	-	n/a	-	n/a	-	n/a
1	Financial Management	MM	Incorrect budgeting	MM	Loss of records	MM	Material audit findings	MM	Purchasing irregularities	ML	Customer service problems with auxiliary services		n/a		n/a
4	External Partnerships	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
5	Crisis Management	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a

Volunteer State Community College
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May 2016

RISKS

#	ACTIVITIES	1		2		3		4		5		6		7		8	
6	Retention	HH	Failure to provide instructional support	HH	Failure to retain students	MH	Inadequate advising	MH	Insufficient Counseling	MH	Lack of matriculation/articulation	MH	Lack of student engagement	MM	Campus Safety and Security	MM	Failure to provide appropriate customer service level
8	Capacity Management	HL	Inadequate insurance/proper valuation of buildings	HL	Lack of maintaining proper Master Plan	MH	Excessive campus access	MM	Escalation of Utility Costs	MM	Incorrect use of 15 passenger van	MM	Lack of preventative maintenance	MM	Obsolete Facilities	MM	Failure to maintain adequate security
7	Recruitment	HH	Inability to recruit and retain students	MH	Failure to process proper enrollment applications and documents	MH	Failure to provide appropriate customer service level	MH	Misinformation/incorrect information dissemination	MH	Security of test instruments	MM	Failure to market the College	-	n/a	-	n/a
11	Strategic Plan	MH	Lack of comprehensive and effective communication among all employees	MH	Lack of institutional priorities, goals, and direction	MH	Lack/inadequate planning	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
10	Diversity	MH	Failure to maintain and implement the diversity plan	MH	Not meeting A2S goals	MM	Lack of sensitivity to diversity	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
	Information Technology	MH	Data Leak	MH	Physical Infrastructure damage due to construction	MH	Virus or cyber-attacks	MM	Data Breach	MM	Lack of system (TBR) defined guidelines for ERP systems (Banner)	MM	Lack of generators or alternative power source at remote campuses (Livingston, Highland Crest)	ML	Loss of IT system(s) - email, Banner	ML	Loss of Tele-communications/Network

Volunteer State Community College
Enterprise-Wide Risk Footprint
May 2016

#	ACTIVITIES		9		10	11	12	13	14	15
6	Retention	-	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a
8	Capacity Management	ML	Inadequate Parking	ML	Unsafe working conditions	n/a	n/a	n/a	n/a	n/a
7	Recruitment	-	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a
11	Strategic Plan	-	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a
10	Diversity	-	n/a	-	n/a	n/a	n/a	n/a	n/a	n/a
	Information Technology	LH	Loss of data center(s)	LL	Failure to perform proper back-up	n/a	n/a	n/a	n/a	n/a

Walters State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		RISKS 1		2		3		4		5
11	Planning, Research & Assessment (15,36,57,60)	HM	Breach of confidential data or data security	HM	Fraud, waste, abuse and misuse of funds	HM	Lack of knowledge of performance or compliance requirements	HM	Lack of written procedures or misinterpretation of policies & procedures	HM	Lack of, or, inadequate monitoring
9	Information & Educational Technologies (32,43,50,59,69)	HM	Breach of confidential data or data security	HM	Inappropriate response to an emergency situation	HM	Lack of or inadequate monitoring	HL	Damage to buildings, equipment or facilities	HL	Data center - telecommunications failure
4	College Advancement (12,13,19,27,28)	HM	Changing market conditions (economy)	HM	Competition	HM	Unpredictable and / or declining financial resources	HL	Fraud, waste, abuse and misuse of funds	HL	Improper decisions based on inaccurate or incomplete information / data
10	Institutional Support (9,22,25,33,35,40,55, 56,67)	HM	Breach of confidential data or data security	HM	Natural disaster, pandemics, terrorism	MM	Data center - telecommunications failure	MM	Fraud, waste, abuse and misuse of funds	MM	Improper decisions based on inaccurate or incomplete information / data
8	Financial Management (2,3,4,7,10,12,13,14, 21,27,28,34,54,58,66)	HL	Natural disaster, pandemics, terrorism	MM	Breach of confidential data or data security	MM	Contracts are not awarded in a prompt, fair and reasonable manner in accordance with merit based criteria	MM	Data center - telecommunications failure	MM	Fraud, waste, abuse and misuse of funds
12	Student Affairs (15,20,26,38,41,42,61,62 ,63,64,65,68)	HL	Loss of federal financial aid programs	HL	Non-compliance with SACS, Federal, State or TBR regulations	MM	Changing market conditions (economy)	MM	Improper decisions based on inaccurate or incomplete information / data	MM	Inaccurate or incomplete documentation

Walters State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		RISKS 1		2		3		4		5
1	Academic Affairs (1,31,37)	HL	Clinical mistakes in health related fields	HL	Food preparation issues - poisoning, allergies, pathogens, spoilage, sanitation	HL	Non-compliance with SACS, Federal, State or TBR regulations	MM	Inadequately trained employees	MM	Inappropriate use / handling of assets and supplies
3	Center for Workforce Development (5,11,16,29,45,53,74)	MM	Changing Market Conditions	MM	Traveling without an approved travel request or appropriate liability insurance	ML	Breach of confidential data or data security	ML	Competition	ML	Contracts are not awarded in a prompt, fair and reasonable manner in accordance with merit based criteria
7	Facilities Management (8,17,18,23,24,44,46, 47,48,49,70)	HL	Natural disaster, pandemics, terrorism	MM	Damage to buildings, equipment or facilities	MM	Extended power outage affecting operations	ML	Fraud, waste, abuse and misuse of funds	ML	Inappropriate response to an emergency situation
2	Auxiliary (6,30,71)	MM	Breach of confidential data or data security	ML	Food preparation issues - poisoning, allergies, pathogens, spoilage, sanitation	ML	Improper decisions based on inaccurate or incomplete information / data	ML	Inappropriate behavior	ML	Inappropriate business activities
5	Communications & Marketing (39)	MM	Breach of confidential data, data security	MM	Poor marketing, scandal	MM	Poor public relations	ML	Fraud, waste, abuse and misuse of funds	LL	Inadequate staffing, employee stress, burnout or turnover
6	Community Education (51,52,72,73)	ML	Breach of confidential data or data security	ML	Damage to buildings, equipment or facilities	ML	Inappropriate behavior	ML	Natural disaster, pandemics, terrorism	LM	Competition

Walters State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		6		7		8		9		10
11	Planning, Research & Assessment (15,36,57,60)	HM	Non-compliance with SACS, Federal, State or TBR regulations	HL	Lack of business continuity / disaster recovery planning	MH	Improper decisions based on inaccurate or incomplete information / data	MM	Inaccurate or incomplete documentation	MM	Inaccurate reporting or accounting
9	Information & Educational Technologies (32,43,50,59,69)	HL	Extended power outage affecting operations	HL	Fraud, waste, abuse and misuse of funds	HL	Inaccurate reporting or accounting	HL	Lack of academic continuity - disaster recovery planning	HL	Lack of business continuity - disaster recovery planning
4	College Advancement (12,13,19,27,28)	HL	Inappropriate behavior	HL	Inappropriate business activities	HL	Inappropriate use / handling of assets and supplies	HL	Loss of tax exemt status of Foundation	HL	Natural disaster, pandemics, terrorism
10	Institutional Support (9,22,25,33,35,40,55, 56,67)	MM	Inaccurate reporting or accounting	MM	Inadequate staffing, employee stress, burnout or turnover	MM	Inappropriate behavior	MM	Lack of business continuity - disaster recovery plan	MM	Lack of written procedures or misinterpretation of policies and procedures
8	Financial Management (2,3,4,7,10,12,13,14, 21,27,28,34,54,58,66)	MM	Improper decisions based on inaccurate or incomplete information / data	MM	Inadequate staffing, employee stress, burnout or turnover	MM	Lack of written procedures or misinterpretation of policies and procedures	MM	Theft, embezzlement, robbery, fraud	MM	Unpredictable and / or declining financial resources
12	Student Affairs (15,20,26,38,41,42,61,62 ,63,64,65,68)	MM	Lack of written procedures or misinterpretation of policies and procedures	ML	Breach of confidential data or data security	ML	Data center - telecommunications failure	ML	Extended power outage affecting operations	ML	Failure to meet international travel requirements

Walters State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		6		7		8		9		10
1	Academic Affairs (1,31,37)	MM	Ineffective academic advising	ML	Breach of confidential data or data security	ML	Copyright violations - intellectual material	ML	Improper decisions based on inaccurate or incomplete information / data	ML	Inappropriate behavior
3	Center for Workforce Development (5,11,16,29,45,53,74)	ML	Damage to buildings, equipment or facilities	ML	Fraud, waste, abuse and misuse of funds	ML	Improper decisions based on inaccurate or incomplete information / data	ML	Inaccurate or incomplete documentation	ML	Inaccurate reporting or accounting
7	Facilities Management (8,17,18,23,24,44,46, 47,48,49,70)	ML	Inappropriate use / handling of assets and supplies	ML	Lack of business continuity - disaster recovery planning	ML	Motor pool accidents	ML	Non-compliance with SACS, Federal, State or TBR regulations	LM	Inadequate staffing, employee stress, burnout or turnover
2	Auxiliary (6,30,71)	ML	Inappropriate use / handling of assets and supplies	ML	Non-compliance with SACS, Federal, State or TBR regulations	ML	Safety - students, employee and non-employee	ML	Theft, embezzlement, robbery, fraud	LM	Changing market conditions (economy)
5	Communications & Marketing (39)	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
6	Community Education (51,52,72,73)	LM	Inadequate staffing, employee stress, burnout or turnover	LM	Inadequately trained employees	LL	Clinical mistakes in health related programs	LL	Food Preparation Issues - poisoning, allergies, pathogens, spoilage, sanitation	LL	Fraud, waste, abuse and misuse of funds

Walters State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		11		12		13		14		15
11	Planning, Research & Assessment (15,36,57,60)	MM	Inadequate staffing, employee stress, burnout or turnover	MM	Inadequately trained employees	MM	Theft, embezzlement, robbery, fraud	LL	Copyright violations - intellectual material	-	n/a
9	Information & Educational Technologies (32,43,50,59,69)	HL	Natural disaster, pandemics, terrorism	HL	Non-compliance with SACS, Federal, State or TBR regulations	HL	Safety - student, employee and non-employee	MM	Changing market conditions (economy)	MM	Copyright violations - intellectual material
4	College Advancement (12,13,19,27,28)	HL	Theft, embezzlement, robbery, fraud	MM	Inaccurate reporting or accounting	MM	Program / economic outcomes are not achieved	ML	Breach of confidential data or data security	ML	Lack of business continuity - disaster recovery planning
10	Institutional Support (9,22,25,33,35,40,55,56,67)	MM	Theft, embezzlement, robbery, fraud	MM	Unpredictable and/or declining financial resources	ML	Contracts are not awarded in a prompt, fair and reasonable manner in accordance with merit based criteria	ML	Copyright Violations - intellectual material	ML	Damage to buildings, equipment or facilities
8	Financial Management (2,3,4,7,10,12,13,14,21,27,28,34,54,58,66)	ML	Damage to buildings, equipment or facilties	ML	Extended power outage affecting operations	ML	Inaccurate reporting or accounting	ML	Inadequately trained employees	ML	Inappropriate behavior
12	Student Affairs (15,20,26,38,41,42,61,62,63,64,65,68)	ML	Failure to respond to significant loss in enrollment	ML	Fraud, waste, abuse and misuse of funds	ML	Inadequately trained employees	ML	Inappropriate behavior	ML	Inappropriate response to an emergency situation

Walters State Community College
Enterprise Risk Footprint
May 2015

#	ACTIVITIES		11		12		13		14		15
1	Academic Affairs (1,31,37)	ML	Lack of academic continuity - Disaster recovery plan	ML	Safety - student, employee and non-employee	ML	Traveling without approved travel request or appropriate liability insurance	ML	Unethical grading practices	ML	Unqualified faculty / staff
3	Center for Workforce Development (5,11,16,29,45,53,74)	ML	Inappropriate behavior	ML	Inappropriate business activities	ML	Inappropriate response to an emergency situation	ML	Inappropriate use / handling of assets and supplies	ML	Lack of business continuity - disaster recovery planning
7	Facilities Management (8,17,18,23,24,44,46, 47,48,49,70)	LM	Inappropriate behavior	LM	Lack of written procedures or misinterpretation of policies and procedures	LL	Inadequately trained employees	LL	Safety - student, employee and non-employee	LL	Traveling without an approved travel request or appropriate liability insurance
2	Auxiliary (6,30,71)	LM	Competition	LM	Lack of knowledge of performance or compliance requirements	LM	Lack of written procedures or misinterpretation of policies and procedures	LM	Unpredictable and / or declining financial resources	LL	Inaccurate reporting or accounting
5	Communications & Marketing (39)	-	n/a	-	n/a	-	n/a	-	n/a	-	n/a
6	Community Education (51,52,72,73)	LL	Improper decisions based on inaccurate or incomplete information / data	LL	Inaccurate reporting or accounting	LL	Inappropriate use/handling of assets and supplies	LL	Lack of written procedures or misinterpretation of policies and procedures	LL	Misclassification of accounts in financial statements

#	ACTIVITIES	1	2	3	4	5	6	7	8	9	10
5	RODP	(HM) Excessive down time	(MM) Incorrect revenue sharing data from campuses/incorrect reporting	(MM) Only one developer for databases	(MM) Change in leadership	(MM) Lack of proper software licensing/inability to purchase software in a timely manner	(MM) Lack of trained staff	(-) n/a			
7	Human Resources	(MM) Lack of coordination/communication w/ institutions	(ML) Failure to review campus compensation plans	(ML) Failure to maintain Central Office compensation plans	(ML) Failure to conduct appropriate investigations	(ML) Failure to review campus salary increases	(ML) Failure to review new campus appointments	(MM) Employee turnover	(MM) Failure to analyze legislative bills	(ML) Failure to follow federal and state regulations	(ML) Failure to follow policies and procedures
3	General Counsel / Legal	(HM) Issuing incorrect legal advice to employees/campuses/board members	(ML) Failure to comply with federal and state laws and regulations (EEOC, Contracts, Employment, Environmental Compliance, Student Laws, FERPA,etc)	Failure to inform employees/campuses/ board members of legal updates				(-) n/a	(-) n/a	(-) n/a	(-) n/a
13	Business and Finance-Finance and Accouting	(HL) Financial management system change or failure	(HL) Insufficient backup of computer data	(HL) Loss of physical records	(MM) State appropriations not distributed to institutions accurately/timely	(MM) Breech of security systems/failure to secure data and information	(MM) Non-compliance with federal or state laws or institutional policies	(ML) Waste and abuse - failure to spend conservatively	(ML) Disbursements (checks, ACH's, LGIP transfers) not processed properly/timely	(ML) Failure to follow applicable accounting guidance (GAAP, GASB)	Insufficient/untrained staff
2	Business and Finance-Payroll	(HL) Failure to pay employees/submit direct deposit file timely	(HL) Financial management system change or failure	(HL) Insufficient backup of computer data	(MM) Inaccurate/unauthorized payroll deductions	(MM) Insufficient/untrained staff	(MM) Loss of physical records	(MM) Payment of fictitious employee	(MM) Payments of payroll taxes, insurance, vendors are not timely/accurate	(MM) Payroll information is not properly fed to financial accounting system	(ML) Inaccurate/untimely W-2 processing and reporting
11	System-wide Internal Audit	(HL) Breach of confidentiality	(HL) Failure to identify problems, fraud, waste, or abuse (incorrect audit conclusions)	(HL) Failure to properly investigate allegations	(MM) Failure to communicate information to campus auditors	(MM) Failure to comply with audit standards	(MM) Failure to report accurate information timely to the Audit Committee, Management and the Comptroller's Office	(MM) Inadequate audit plans or insufficient audit planning	(MM) Lack of resources available to perform risk based audits or lack of technical expertise	(ML) Change in leadership	(ML) Failure to develop good relations with management
8	Chancellor's Office	(HH) Violation of privacy issues/breach of security (FERPA)	(HM) Failure to achieve expectation of Complete college Act	(HL) Failure to resolve personnel issues in a timely manner	(HL) Lack of good communication channels with legislators/board members/college presidents	(HL) Lack of planning for catastrophic events(natural disaster, student issues, pandemics, etc)	(MM) Failure to update, reevaluate, and follow policies and procedures	(MM) Lack of qualified staff/excessive turnover			
6	TCAT's	(HL) Loss of computer records	(MM) Employee turnover	(MM) Failure to follow policies, procedures, and guidelines	(MM) Improper funding allocation	(MM) Improper grant administration	(MM) Inaccurate data to / from campuses	(MM) Ineffective communication to / from campuses	(ML) Lack of effective training	(ML) Conflict of interest	(ML) Fradulent activities
1	Academic Affairs	(HL) Failure to meet strategic plan goals and benchmarks	(HL) Loss of financial funding	(MM) Failure to update policies/procedures as needed	(MM) Inadequate or no data (inability to access)	(MM) Inappropriate approvals of personnel transactions	(ML) Inaccurate reporting from institutions / falsification of data from campuses	(ML) Incorrect implementation of policies/procedures	(ML) Intellectual property fraud	(ML) Loss of accreditation (programs not up to standards)	(ML) Loss of qualified staff / change in personnel
9	Leases/Real Property	(HL) Failure of follow State Building Commission regulations	(HL) Loss of inaccurate information in the project tracking system	(MM) Change in leadership	(MM) Change in personnel	(MM) Fraud, waste and abuse	(MM) Inadequately trained employees	(MM) Non-compliance with contract	(ML) Vendor non-compliance with contract	(ML) Failure to adhere to proper bidding procedures	Failure to verify contractor/designers surety with Depta of Commerce and Insurance
4	Information Technology	(HL) Failure to provide for Disaster Recovery	(MH) Inadequate training of employees	(ML) Loss of programming systems data	(ML) Loss of backup data	(ML) Loss of facility	(ML) Loss of key personnel	(ML) Critical patches or updates will not be applied in a timely manner	(ML) Theft of equipment	(ML) Breach of security	(ML) Failure to maintain password security
17	Organizational Effectiveness/Strategic Iniatives	(ML) Lack of expenditure tracking	(ML) Failure to achieve objectives of program	(LL) Failure to follow state and federal guidelines	(LL) Fraud, waster and abuse	(-) n/a	(-) n/a	(-) n/a	(-) n/a	(-) n/a	(-) n/a
10	Administration	(MM) Failure to communicate new / amended legislation to TBR or campuses	(ML) Change in key leadership / turnover	(LM) Loss of credibility with government officials	(LL) Inaccurate reporting of private gifts from institutions	(-) n/a	n/a	n/a	n/a	n/a	n/a
19	Institutional Planning	(HL) Failure fo follow State Building Commission regulations	(MM) Change in leadership	(MM) Change in personnel	(MM) Failure to follow TBR policies and guidelines	(MM) Inaccurate data obtained from campuses	(MM) Inadequately trained employees	(ML) Non-compliance with Master Plan	(LL) Inadequate Master Plan	(-) Conflict of Interest	(-) n/a
20	Capital Budgets	(MM) Change in leadership	(MM) Change in personnel	(MM) Failure to follow TBR policies and guidelines	(MM) Inaccurate data obtained from campuses	(MM) Inadequately trained employees	(ML) Project going over budget	(ML) Improper scoring for capital outlay projects	(LL) Priorities not aligned with needs	(-) Conflict of interest	(-) n/a
16	Purchasing	(MM) Change in leadership	(MM) Loss of data and automated processes	(MM) Lack of support staff/employee turnover	(MM) Failure to follow TBR policies and guidelines	Failure to follow State policies and guidelines					

Tenneesse Board of Regents System Office
Enterprise Wide Risk Assessment
May 2015

#	ACTIVITIES	11	12	13	14	15	16	17	18
5	RODP					- n/a	- n/a	- n/a	- n/a
7	Human Resources	MM Failure to maintain policies and procedures	ML Failure to preform proper background checks	MM Failure to secure and maintain employee records	MM Failure to provide accurate reporting and information to THEC, Legislatiure and Board	MM Failure to provide guidance, counsel, and advice	ML Failure to provide classification structure	ML Failure to provide employment application system	ML Failure to provide performance management structure
3	General Counsel / Legal	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
13	Business and Finance-Finance and Accouting	ML Failure to follow TBR policies guidelines	ML Falsified invoices or travel claims						- n/a
2	Business and Finance-Payroll	MM Unauthorized release of confidential information	LM Data entry errors are not detected and corrected in a timely manner	MM Employees are not paid at the approved rate	LM Inaccurate or unreported leave/employees absent without leave	LM Longevity payments are not processed for the correct amount and in the correct month	ML Ghost employees		- n/a
11	System-wide Internal Audit	ML Lack of independence, conflict of interest, lack of objectivity or unethical behavior	ML Unqualified staff	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
8	Chancellor's Office		- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
6	TCAT's	ML Misuse of state resources	LM Insufficient number of staff	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
1	Academic Affairs	LL Inappropriate approval of travel documentation	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
9	Leases/Real Property	ML Failure to verify contractor/design license	ML Improper payments	- n/a					
4	Information Technology	ML Unauthorized system access	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
17	Organizational Effectiveness/Strategic Iniatives	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
10	Administration	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
19	Institutional Planning	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
20	Capital Budgets	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a	- n/a
16	Purchasing								

DATE:	August 25, 2015
AGENDA ITEM:	**Review of Risk Assessments for Universities and Community Colleges – Indicated Major Processes**
PRESENTER:	Tammy Gourley
ACTION REQUIRED:	Voice Vote
STAFF'S RECOMMENDATION:	Accept Report

BACKGROUND INFORMATION:

The Committee will review and consider for approval activity-level risk assessments of major processes for the universities, community colleges and TBR system office.

The following descriptions explain the two levels of risk analysis currently used by TBR institutions. For each perspective, management considers identified risks for their potential impact on the institution and likelihood of occurrence, using factors of high, moderate or low, resulting in a risk factor that helps to rank the risks by significance.

> **Enterprise-wide perspective**—an annual high level view of enterprise risk, organized by major activity areas, to give management a road map for performing activity-wide assessments.

> **Activity-wide perspective**—a more detailed analysis of risk within a major process (activity). Major processes usually consist of several sub-processes, where risks are assessed. This step is followed by an assessment of controls in place at the sub-process level to mitigate the risks. If indicated, corrective action steps are developed by management to improve controls. After this phase, management monitors the controls periodically to ensure controls are in place. All major processes must be reviewed within a three year cycle.

Upon completion of the major process assessments, management completes and submits the following documents for review by the campus internal auditor and subsequently to System-wide Internal Audit.

> Letter to the Audit Committee Chair
> Risk Footprint, for each major process
> Control Footprint, for each sub-process within the major process
> Corrective Action Plan, if indicated

The president's letter to the Audit Committee Chair acknowledges responsibility for the operations of the entity and provides an opinion that the risk assessment process was sufficiently comprehensive for the areas reviewed and supports the conclusions reached during the assessment. Each entity's internal auditor performs a limited review of the documentation provided, concluding on the adequacy of the coverage, conclusions reached and level of documentation supporting the assessment.

Summaries of significant risks assessed at the activity-wide perspective and reported by the universities, community colleges and system office are included on the following pages. These summaries provide a system-wide overview of the major processes assessed during 2015. Risk assessment documents submitted by each institution are available upon request.

      Assessments by Major Process
      Major Processes Assessed by Institution
      Significant Risks Summary Charts:
            Institutional Support
            Information Technology
            Financial Management
            Instruction and Academic Support

Tennessee Board of Regents
2015 System Wide Risk Assessment Highlights
Assessments by Major Process

Major Process	# Assessed	% Assessed
Student Services (1)	9	17%
Instruction and Academic Support (1)	9	17%
Physical Plant (1)	6	12%
Financial Management (1)	6	12%
Information Technology (1)	5	12%
Institutional Support (1)	5	10%
Auxiliary	2	4%
Workforce Development	2	4%
Other	7	12%
Totals (2)	51	100%

Notes:

(1) The significant risks and mitigating controls for this major process are summarized on the following pages.

(2) Each institution performed a detailed risk assessment on at least one major process.

Tennessee Board of Regents
Significant Risks for Student Services
May 2015

Inadequate disability services, 3%

Data breach/Loss of network, 17%

Inadequate enrollment management, 3%

Noncompliance with federal, state or local rerquirements, 27%

Lack of resources, 23%

Other, 12%

Failure to adequately manage financial aid, 4%

Occurance of and/or inadequate response to an emergency on campus, 11%
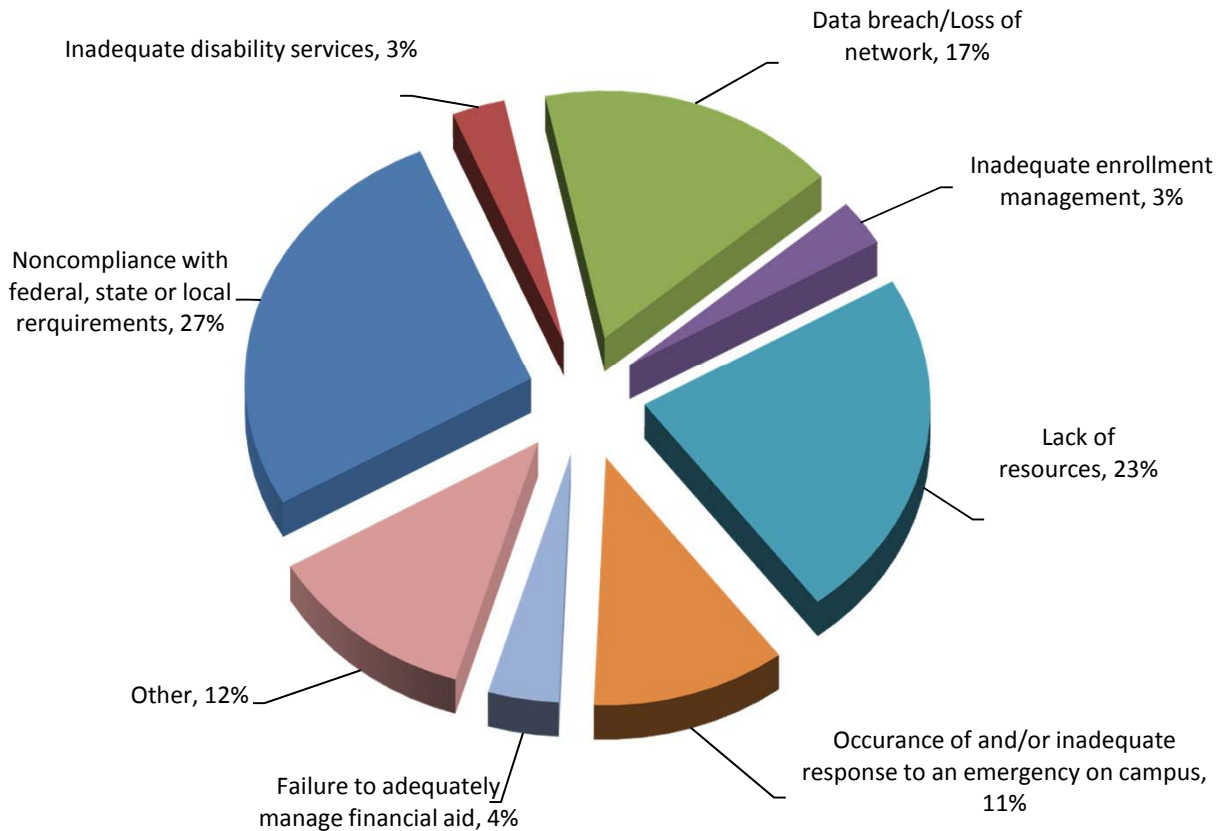
Summary

- Nine institutions (TSU, TTU, UoM, ChSCC, ClSCC, MSCC, PSCC, RSCC and WSCC) assessed the risks related to the major process of Student Services. These institutions noted some common significant risks. Significant risks are generally defined as those risks which management has assessed the highest.

- No corrective action plans were submitted, indicating management deemed adequate controls were in place to mitigate the risks noted.

- Examples of controls management stated were in place to mitigate significant risks:
  - 1   Policies and procedures
  - 2   Accreditation review
  - 3   Employee training
  - 4   Loan counseling with students
  - 5   Email employees reminding them of confidentiality of data
  - 6   On-going monitoring of various activities
  - 7   Periodic meetings at Executive level

Tennessee Board of Regents
Significant Risks for Instruction and Academic Support
May 2015

Lack of resources, 18%

Unqualified staff or poor quality of instruction, 21%

Inadequate or untimely record keeping, 5%

Noncompliance with federal, state or local requirements, 15%

Breach of confidentility, 4%

Employee/Student misconduct, 4%

Other, 10%

Poor communication, 6%

Ineffective academic management, 17%
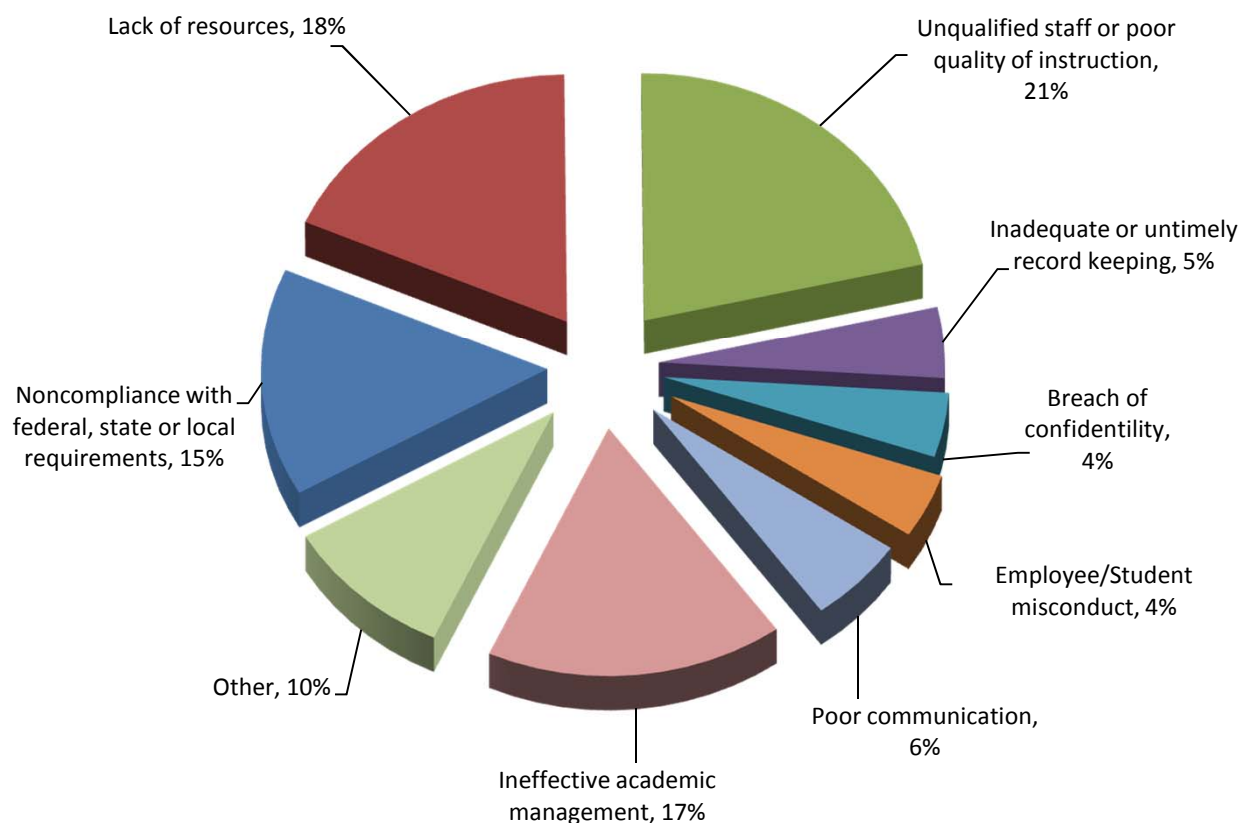
Summary

- Nine institutions (APSU, ETSU, MTSU, UoM, CoSCC, DSCC, STCC, VSCC and WSCC) assessed the risks related to the major process of Instruction and Academic Support. These institutions noted some common significant risks. Significant risks are generally defined as those risks which management has assessed the highest.

- No corrective action plans were submitted, indicating management deemed adequate controls were in place to mitigate the risks noted.

- Examples of controls management stated were in place to mitigate significant risks:
    1. Policies and procedures
    2. Faculty handbook
    3. Program reviews
    4. Performance evaluations
    5. Space utilization process
    6. Faculty orientation
    7. Professional development

Tennessee Board of Regents
Significant Risks for Physical Plant
May 2015

Failure to adequately prepare for a natural disaster, 31%

Inadequate resources, 13%

Hazardous working conditions, 3%

Deferred maintenance/Aging Infrastructure, 14%

Noncomplaince with federal, state or local requirements, 4%

Misuse of equipment and supplies, 7%

Failure to provide safe work enviroment, 10%

Unattractive grounds, 7%

Other, 11%
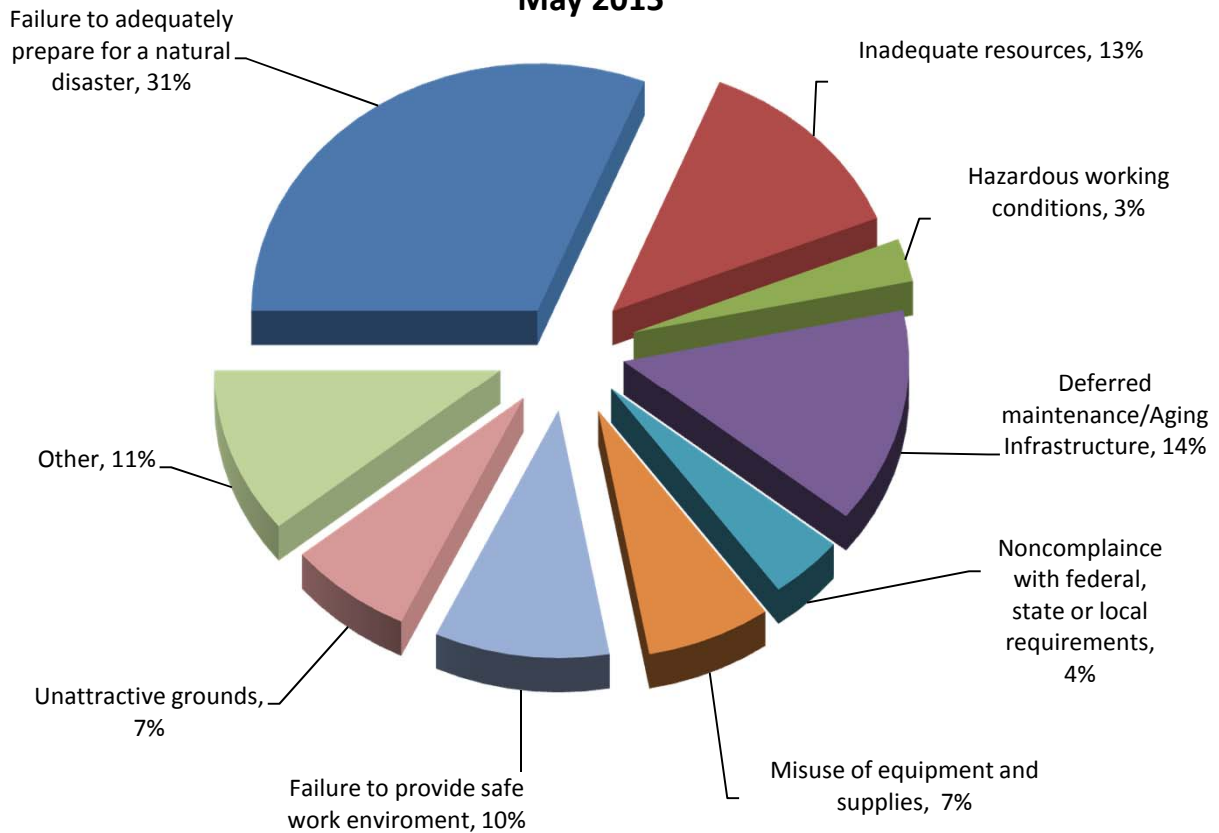
Summary

- Six institutions (TSU, ChSCC, DSCC, JSCC, MSCC, and PSCC) assessed the risks related to the major process of Physical Plant. These institutions noted some common significant risks. Significant risks are generally defined as those risks which management has assessed the highest.

- No corrective action plans were submitted, indicating management deemed adequate controls were in place to mitigate the risks noted.

- Examples of controls management stated were in place to mitigate significant risks:
    1   Policies and procedures
    2   Annual building condition assessment
    3   Emergency planning committee
    4   Tornado and fire drills
    5   Safety and security procedures posted in hallways and classrooms
    6   Safety training
    7   Scheduled maintenance plan

Tennessee Board of Regents
Significant Risks for Financial Management
May 2015

Other, 8%

Inadequate oversight/Inaccurate records, 14%

Inadequate resources, 9%

Noncompliance with federal, state or local requirements, 29%

Breach of confidentilaity, 6%

Fraud, waste or abuse concerns, 13%

Inappropriate employee behavior, 3%

Inadequate response to an emergency, 9%

Unqualified/Untrained employees, 9%
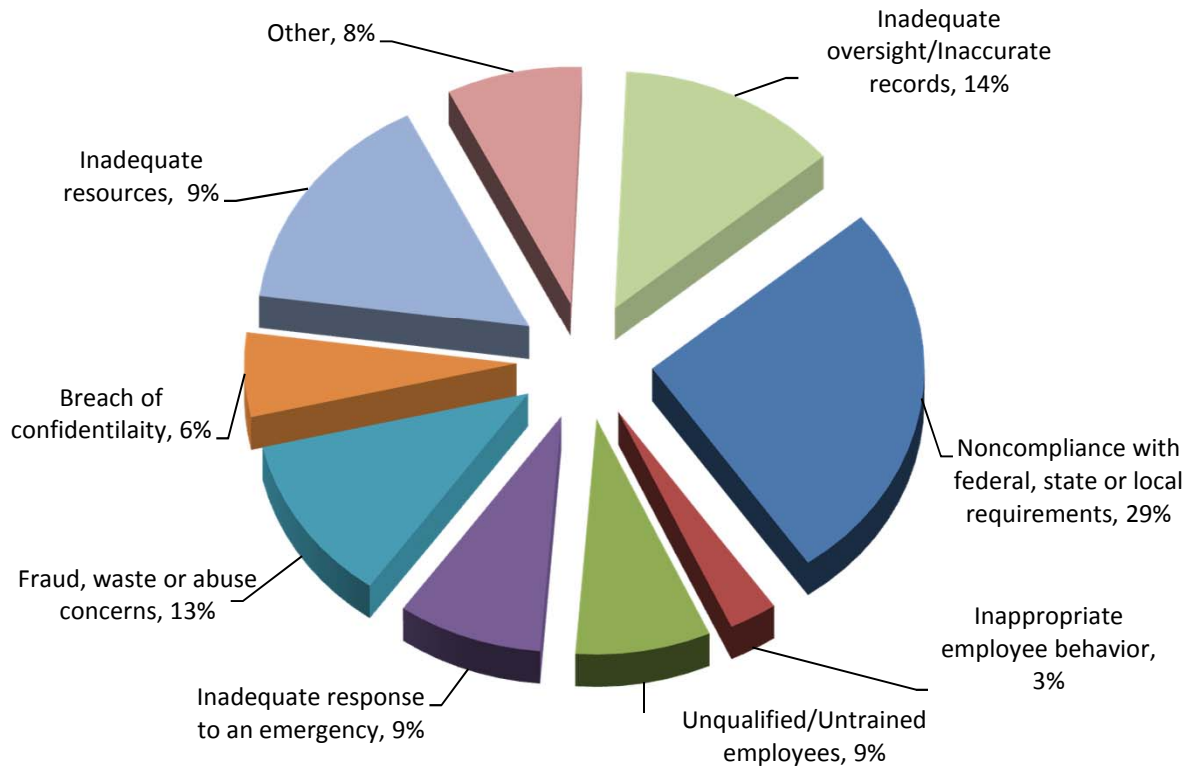
Summary

- Six institutions (ETSU, MTSU, PSCC, STCC, WSCC and TBR) assessed the risks related to the major process of Financial Management These institutions noted some common significant risks. Significant risks are generally defined as those risks which management has assessed the highest.

- One institution (STCC) submitted a corrective action plans, indicating corrective actions were deemed necessary to ensure adequate controls were in place to mitigate the risks noted.

- Examples of controls management stated were in place to mitigate significant risks:
    1   Policies and procedures
    2   Staff training
    3   Testing Emergency Preparedness plan
    4   Supervisory review
    5   Reconciliations
    6   Cash monitoring
    7   Proper segregation of duties

Tennessee Board of Regents
Significant Risks for Information Technology
May 2015

Ineffective management, 23%

Other, 10%

Failure to meet clients needs, 5%

Lack of trained/qualified employees, 8%

Inadequate resources, 14%

Noncomplaince with federal, state or local requirements, 2%

Fraud, theft, security breach, 17%

System failures, 12%

Inadequate disaster recovery plan, 9%
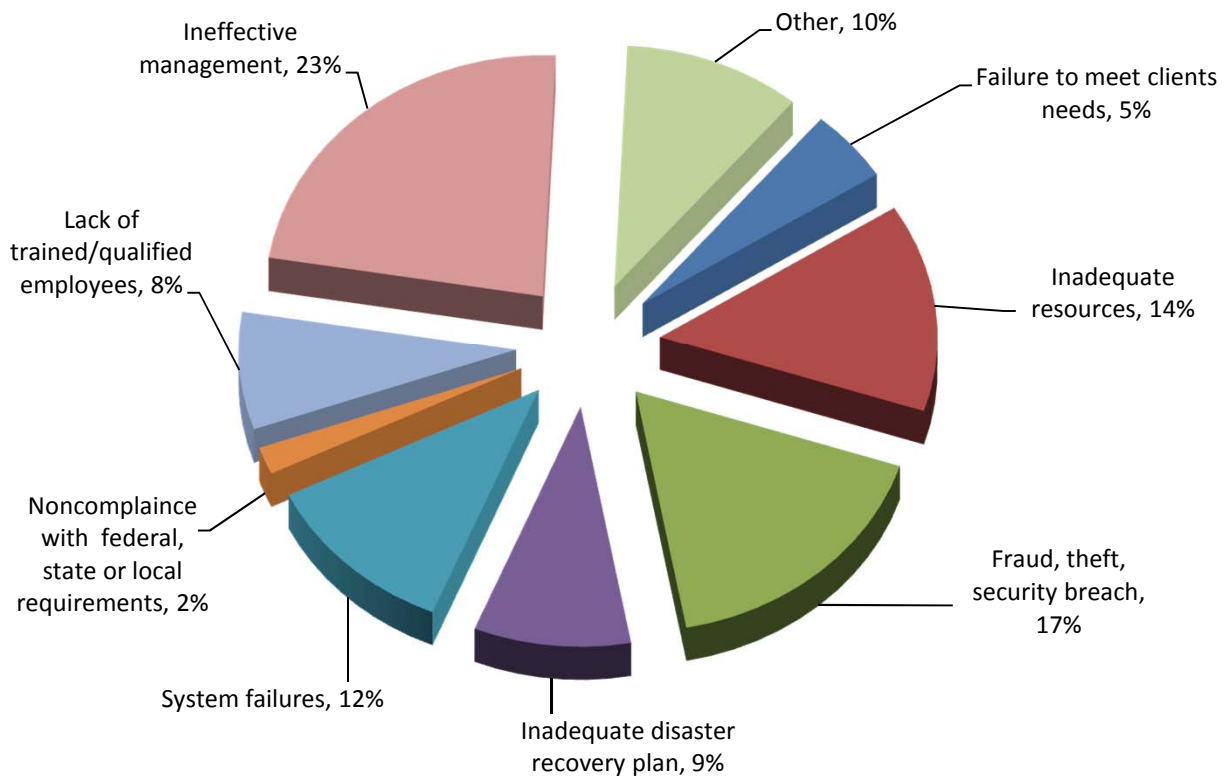
Summary

- Six institutions (ETSU, TSU, CoSCC, NaSCC, and NeSCC) assessed the risks related to the major process of Information Technology. These institutions noted some common significant risks. Significant risks are generally defined as those risks which management has assessed the highest.

- No corrective action plans were submitted, indicating management deemed adequate controls were in place to mitigate the risks noted.

- Examples of controls management stated were in place to mitigate significant risks:
    1. Training and cross training of employees
    2. Policies and procedures
    3. Supervisory review/monitoring/approval
    4. Performance evaluations
    5. Technology Planning Oversight Committee
    6. Periodic test of disaster recovery plan
    7. Various security/control access measures

Tennessee Board of Regents
Significant Risks for Institutional Support
May 2015

Lack of leadership and strategic vision, 30%

Unqualified staff, 9%

Fraud, waste and abuse, 11%

Inaccurate records, 4%

Noncompliance with guidance, 9%

Other, 9%

Inadequate emergency preparedness/natural disaster, 15%

Loss of, misuse of, or inadequate resources, 13%
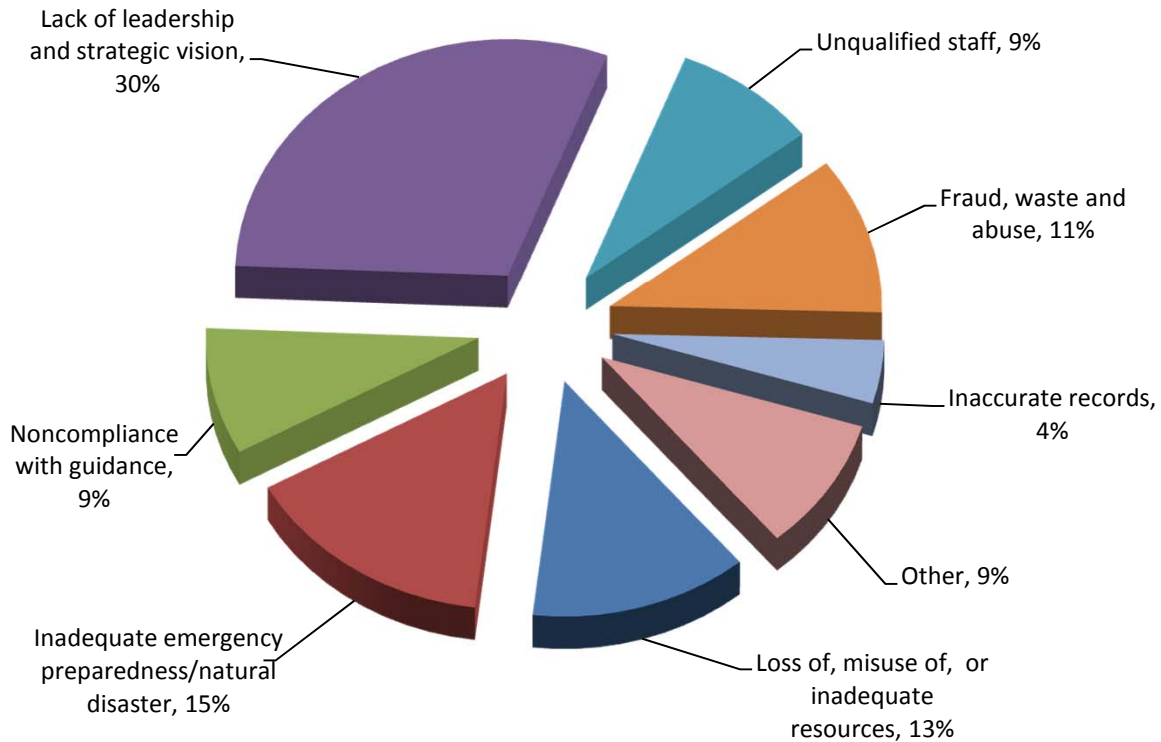
Summary

- Five institutions (APSU, TTU, UoM, CoSCC, and NaSCC) assessed the risks related to the major process of Institutional Support. These institutions noted some common significant risks. Significant risks are generally defined as those risks which management has assessed the highest.

- One institution (JSCC) submitted a corrective action plan, indicating corrective action was deemed necessary to ensure adequate controls were in place to mitigate the risks noted.

- Examples of controls management stated were in place to mitigate significant risks:
    1   Policies and procedures
    2   Periodic review of vision and mission statement
    3   Approval/monitoring process
    4   Performance evaluations
    5   Salary plan reviews
    6   Training
    7   Budget process

Tennessee Board of Regents
Major Processes Assessed by Institution
May 2015

Universities

Austin Peay State University
1. Instruction and Academic Support
2. Institutional Support
3. Auxiliary

Middle Tennessee State University
1. Financial Management
2. University Provost

Tennessee Tech University
1. Institutional Support
2. Research and Economic Development
3. Student Services

East Tennessee State University
1. Financial Management
2. Information Technology
3. President's Office
4. Provost's Office

Tennessee State University
1. Information Technology
2. Student Services
3. Research
4. Physical Plant

University of Memphis
1. Academic Support
2. Institutional Support
3. Student and Enrollment Services

Community Colleges

Chattanooga State Community College
1. Physical Plant
2. Student Services

Jackson State Community College
1. Physical Plant

Roane State Community College
1. Student Services
2. Workforce Development

Cleveland State Community College
1. Student Services

Motlow State Community College
1. Student Services
2. Auxiliaries
3. Facilities

Southwest Tennessee Community College
1. Instruction and Academic Support
2. Financial Management

Columbia State Community College
1. Institutional Support
2. Information Technology
3. Instruction and Academic Support

Nashville State Community College
1. Information Technology
2. Institutional Support

Volunteer State Community College
1. Strategic Planning
2. Instruction
3. External Partnerships
4. Human Capital

Dyersburg State Community College
1. Instruction and Academic Support
2. Advancement
3. Physical Plant

Northeast State Community College
1. Information Technology

Pellissippi State Community College
1. Financial Management
2. Physical Plant
3. Student Services

Walters State Community College
1. Academic Affairs
2. Financial Management
3. Student Affairs
4. Center for Workforce Development

System Office

1. Financial Management

Tennessee Board of Regents
Committee on Audit

DATE: August 25, 2015

AGENDA ITEM: **Review of Revised Internal Audit**
                                                Charters

PRESENTER: Tammy Birchett

ACTION REQUIRED: Voice Vote

STAFF'S RECOMMENDATION: Approval

BACKGROUND INFORMATION:

The TBR system's internal audit offices develop internal audit charters to define the audit activity's purpose, authority and responsibility, in accordance with the *International Standards for the Professional Practice of Internal Auditing*, issued by the Institute of Internal Auditors (IIA) which states:

> **1000 - Purpose, Authority, and Responsibility**
> The purpose, authority, and responsibility of the internal audit activity must be formally defined in an internal audit charter, consistent with the Definition of Internal Auditing, the Code of Ethics, and the Standards. The chief audit executive must periodically review the internal audit charter and present it to senior management and the board for approval.

An annual review of the charter template is performed by the Internal Audit Directors group for consideration of any revisions, particularly with regard to changes in internal audit standards. The charter for each audit office is signed by the campus president and internal audit director before submission to the Audit Committee for approval.

The attached charters have been revised and are recommended for the committee's approval. There is a revised charter for the system office and each university and community college except Roane State Community College, where there is currently a vacancy in the Internal Audit Director position. The charters were revised to better explain the types of services that Internal Audit may provide to the institutions and the Board; specifically, information was added to the Purpose section to explain and define Assurance services and Consulting services, in accordance with the IIA Standards.

Austin Peay State University

Internal Audit Charter

Introduction

Austin Peay State University is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Austin Peay State University employs audit staff in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Austin Peay State University management systems. Internal Audit helps Austin Peay State University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Austin Peay State University's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Austin Peay State University's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Austin Peay State University. In the course of its work, Internal Audit has full and complete direct access to all Austin Peay State University books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Austin Peay State University expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Austin Peay State University's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Austin Peay State University's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing* (*Standards*). This mandatory

guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____   8-5-15
President, Austin Peay State University   Date

_____   8|5|2015
Auditor, Austin Peay State University   Date

<div align="center">

East Tennessee State University

Internal Audit Charter

</div>

Introduction

East Tennessee State University is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. East Tennessee State University employs an internal audit staff in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve East Tennessee State University management systems. Internal Audit helps East Tennessee State University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists East Tennessee State University's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements, and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

East Tennessee State University's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at East Tennessee State University. In the course of its work, Internal Audit has full and complete direct access to all East Tennessee State University books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that East Tennessee State University expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, East Tennessee State University's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. East Tennessee State University's internal auditors report to the respective President with audit reporting responsibility, to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory

guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____
President, East Tennessee State University

_____
Auditor, East Tennessee State University

_____
Date

_____
Date

Introduction

Middle Tennessee State University is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Middle Tennessee State University employs an audit staff in accordance with TBR policy.

Purpose

Audit and Consulting Services is an independent objective assurance and consulting activity designed to add value and improve Middle Tennessee State University management systems. Audit and Consulting Services helps Middle Tennessee State University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Audit and Consulting Services assists Middle Tennessee State University's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Middle Tennessee State University's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Audit and Consulting Services review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Middle Tennessee State University. In the course of its work, Audit and Consulting Services has full and complete direct access to all Middle Tennessee State University books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Audit and Consulting Services during their work will be handled in the same prudent manner that Middle Tennessee State University expects of the employees normally accountable for them.

Audit and Consulting Services has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Audit and Consulting Services, Middle Tennessee State University's administration, and the department under audit. In fulfilling their responsibilities, Audit and Consulting Services will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Middle Tennessee State University's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Audit and Consulting Services are reported directly to the President and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Audit and Consulting Services is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

Audit and Consulting Services adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____
Dr. Sidney A. McPhee, President
Middle Tennessee State University

_____
Brenda H. Burkhart
Director, Audit and Consulting Services
Middle Tennessee State University

7/16/15
Date

7/16/2015
Date

TENNESSEE STATE UNIVERSITY

Internal Audit Charter

Introduction

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Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Tennessee State University management systems. Internal Audit helps Tennessee State University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Tennessee State University's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

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Authority and Scope

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Responsibility and Role

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- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

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- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Tennessee State University's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

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Audit Standards and Ethics

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Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____   7-22-15
President, Tennessee State University   Date

_____   7/21/15
Auditor, Tennessee State University   Date

Tennessee Tech University

Internal Audit Charter

Introduction

Tennessee Tech University is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Tennessee Tech University employs an audit staff in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Tennessee Tech University management systems. Internal Audit helps Tennessee Tech University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Tennessee Tech University's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Tennessee Tech University's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Tennessee Tech University. In the course of its work, Internal Audit has full and complete direct access to all Tennessee Tech University books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Tennessee Tech University expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Tennessee Tech University's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Tennessee Tech University's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory

guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____   5/13/2015
President, Tennessee Tech University   Date

_____   5-12-15
Auditor, Tennessee Tech University   Date

University of Memphis

Internal Audit Charter

Introduction

University of Memphis is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. University of Memphis employs an internal auditor (or, audit staff) in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve University of Memphis management systems. Internal Audit helps University of Memphis accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists University of Memphis's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

University of Memphis's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at (name of institution.) In the course of its work, Internal Audit has full and complete direct access to all University of Memphis books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that University of Memphis expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, University of Memphis's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. University of Memphis's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing* (*Standards*). This mandatory

guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____   7/8/15
President, University of Memphis   Date

_____   _7/2/2015____
Auditor, University of Memphis   Date

Chattanooga State Community College

Internal Audit Charter

Introduction

Chattanooga State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Chattanooga State Community College employs an internal auditor (or, audit staff) in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Chattanooga State Community College management systems. Internal Audit helps Chattanooga State Community College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Chattanooga State Community College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Chattanooga State Community College's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Chattanooga State Community College. In the course of its work, Internal Audit has full and complete direct access to all Chattanooga State Community College books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Chattanooga State Community College expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Chattanooga State Community College's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Chattanooga State Community College's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing* (*Standards*). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

Flora W. Tydings   7/20/15
President, Chattanooga State Community College   Date

Kimberly A. Clingan   7/20/15
Auditor, Chattanooga State Community College   Date

Cleveland State Community College

Internal Audit Charter

Introduction

Cleveland State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Cleveland State Community College employs an internal auditor in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Cleveland State Community College management systems. Internal Audit helps Cleveland State Community College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Cleveland State Community College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Cleveland State Community College's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Cleveland State Community College. In the course of its work, Internal Audit has full and complete direct access to all Cleveland State Community College books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Cleveland State Community College expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Cleveland State Community College's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Cleveland State Community College's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing* (*Standards*). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____   7-27-15
President, Cleveland State Community College   Date

_____   7/20/15
Auditor, Cleveland State Community College   Date

Internal Audit Charter

Introduction

Columbia State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Columbia State Community College employs an internal auditor in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Columbia State Community College management systems. Internal Audit helps Columbia State Community College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Columbia State Community College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Columbia Campus
1665 Hampshire Pike
Columbia, TN 38401
931/540-2722

Clifton Campus
795 Main Street
Clifton, TN 38425
931/676-6966

Williamson County Campus
104 Claude Yates Drive
Franklin, TN 37064
615/790-4400

Lawrence County Campus
1620 Springer Road
Lawrenceburg, TN 38464
931/766-1600

Lewisburg Campus
980 South Ellington Parkway
Lewisburg, TN 37091
931/359-0351

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Columbia State Community College's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Columbia State Community College. In the course of its work, Internal Audit has full and complete direct access to all Columbia State Community College books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Columbia State Community College expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Columbia State Community College's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Columbia State Community College's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

President, Columbia State Community College   3/26/15
                                                  Date

Auditor, Columbia State Community College   6/3/15
                                                  Date

Dyersburg State Community College

Internal Audit Charter

Introduction

Dyersburg State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Dyersburg State Community College employs an internal auditor in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Dyersburg State Community College management systems. Internal Audit helps DSCC accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists DSCC's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

DSCC's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at DSCC. In the course of its work, Internal Audit has full and complete direct access to all DSCC books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that DSCC expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditor must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, DSCC's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. DSCC's Director of Internal Auditor reports to the President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

Karen A. Bryer ____7-20-15____
President, name of institution   Date

Sandy Pruitt — OSCC   ____7-20-15____
Auditor, name of institution   Date

Jackson State Community College

Internal Audit Charter

Introduction

Jackson State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Jackson State Community College employs an internal auditor in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Jackson State Community College's management systems. Internal Audit helps Jackson State Community College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Jackson State Community College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Jackson State Community College

Internal Audit Charter

Introduction

Jackson State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Jackson State Community College employs an internal auditor in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Jackson State Community College's management systems. Internal Audit helps Jackson State Community College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Jackson State Community College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Jackson State Community College's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Jackson State Community College. In the course of its work, Internal Audit has full and complete direct access to all Jackson State Community College books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Jackson State Community College expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit,* states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Jackson State Community College's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Jackson State Community College's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory

guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____   7-2-15
Dr. Bruce Blanding, President   Date
Jackson State Community College

_____   7-2-15
Angie Brown, Director of Internal Audit   Date
Jackson State Community College

Motlow State Community College

Internal Audit Charter

Introduction

Motlow State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Motlow State Community College employs an internal auditor in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Motlow State Community College management systems. Internal Audit helps Motlow State Community College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Motlow State Community College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Motlow State Community College's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Motlow State Community College. In the course of its work, Internal Audit has full and complete direct access to all Motlow State Community College books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Motlow State Community College expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Motlow State Community College's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Motlow State Community College's internal auditor reports to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory guidance

constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____   _____
President, Motlow State Community College   Date   Aug 4, 2015

_____   _____
Auditor, Motlow State Community College   Date   8/4/2015

<div align="center">

Nashville State Community College

Internal Audit Charter

</div>

Introduction

Nashville State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Nashville State Community College employs an internal auditor in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Nashville State Community College's management systems. Internal Audit helps Nashville State Community College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Nashville State Community College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Nashville State Community College's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Nashville State Community College. In the course of its work, Internal Audit has full and complete direct access to all Nashville State Community College's books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Nashville State Community College expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditor must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Nashville State Community College's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Nashville State Community Colleges' internal auditor reports to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing* (*Standards*). This mandatory guidance

constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____   6-8-15
President, Nashville State Community College   Date

_____   6-5-2015
Auditor, Nashville State Community College   Date

Northeast State Community College

Internal Audit Charter

Introduction

Northeast State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Northeast State Community College employs an internal auditor (or, audit staff) in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Northeast State Community College management systems. Internal Audit helps Northeast State Community College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Northeast State Community College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Northeast State Community College's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Northeast State Community College. In the course of its work, Internal Audit has full and complete direct access to all Northeast State Community College books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Northeast State Community College expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Northeast State Community College's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Northeast State Community College's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory guidance

constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____
President, Northeast State Community College

7-6-15
_____
Date

_____
Auditor, Northeast State Community College

6/29/15
_____
Date

Pellissippi State Community College

Internal Audit Charter

Introduction

Pellissippi State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Pellissippi State Community College employs an internal auditor in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Pellissippi State Community College management systems. Internal Audit helps Pellissippi State Community College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Pellissippi State Community College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Pellissippi State Community College's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at (name of institution.) In the course of its work, Internal Audit has full and complete direct access to all Pellissippi State Community College books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Pellissippi State Community College expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Pellissippi State Community College's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Pellissippi State Community College's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____
President, name of institution

Date 6/5/15

Suzanne L Walter, Pellissippi State

_____
Auditor, name of institution

Date 6/5/15

Southwest Tennessee Community College

Internal Audit Charter

Introduction

Southwest Tennessee Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Southwest Tennessee Community College employs an internal auditor in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Southwest Tennessee Community College management systems. Internal Audit helps Southwest Tennessee Community College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Southwest Tennessee Community College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Southwest Tennessee Community College's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Southwest Tennessee Community College. In the course of its work, Internal Audit has full and complete direct access to all Southwest Tennessee Community College books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Southwest Tennessee Community College expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Southwest Tennessee Community College's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Southwest Tennessee Community College's internal auditor report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____   7-15-15
Dr. Tracy Hall, President, Southwest Tennessee   Date
Community College

_____   7-15-15
Charlotte Johnson, Internal Auditor, Southwest Tennessee   Date
Community College

Volunteer State Community College
Internal Audit Charter

Introduction

Volunteer State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Volunteer State Community College (the College) employs an internal auditor in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve the College management systems. Internal Audit helps the College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists the College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

The College's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at the College. In the course of its work, Internal Audit has full and complete direct access to all College books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that the College expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, the College's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. The College's internal auditors report to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing* (*Standards*). This mandatory

guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

(signature)	July 21, 2015
President, Volunteer State Community College	Date

(signature)	July 21, 2015
Internal Auditor, Volunteer State Community College	Date

Walters State Community College

Internal Audit Charter

Introduction

Walters State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Walters State Community College employs an internal auditor in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve Walters State Community College management systems. Internal Audit helps Walters State Community College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists Walters State Community College's management in the effective discharge of their duties and responsibilities by evaluating activities, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to

agreement with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Walters State Community College's management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations at Walters State Community College. In the course of its work, Internal Audit has full and complete direct access to all Walters State Community College books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that Walters State Community College expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, Walters State Community College's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the President that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed-upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational Status/Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the TBR. Walters State Community College's internal auditor reports to the respective President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

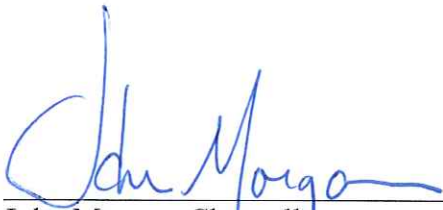The internal auditing services provided by Internal Audit are reported directly to the President/Chancellor and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Comptroller's Office. Management is provided a discussion draft of the audit report prior to the report being issued. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing* (*Standards*). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the chief audit executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

Wade B. McCamey   _8-6-15_

President, Walters State Community College   Date

Marsha a. ortlieb   _8-6-15_

Auditor, Walters State Community College   Date

Tennessee Board of Regents

Office of System-wide Internal Audit

Internal Audit Charter

Introduction

The Tennessee Board of Regents (TBR) system operates from its offices located in Nashville, Tennessee. The TBR system is comprised of six universities, thirteen community colleges and twenty-seven technology colleges across the state. The system is governed by the Board of Regents, consisting of 18 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Each university and community college employs an Internal Audit Director; the system office and campuses employee other audit staff as needed in accordance with TBR policy.

Purpose

Internal Audit is an independent objective assurance and consulting activity designed to add value and improve the TBR management systems. Internal Audit helps the TBR system accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Audit assists the Board's management in the effective discharge of their duties and responsibilities by evaluating activities through assurance and consulting services, recommending improvements and providing other information designed to promote effective controls.

Assurance services involve the internal auditor's objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of the assurance engagement are determined by the internal auditor. There are generally three parties involved in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

Consulting services are advisory in nature, and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement

with the engagement client. Consulting services generally involve two parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services the internal auditor should maintain objectivity and not assume management responsibility.

Management has the primary responsibility for establishing and maintaining a sufficient system of internal controls for the Board's system office and its institutions.

Authority and Scope

Internal Audit's review of operations may include the examination and evaluation of the effectiveness of all aspects of institutional operations within the TBR system. In the course of its work, Internal Audit has complete and direct access to all of the TBR system's books, electronic and manual records, physical properties, and personnel information relative to the performance of duties and responsibilities. All documents and information given to Internal Audit during their work will be handled in the same prudent manner that the TBR expects of the employees normally accountable for them.

Internal Audit has neither direct responsibility for, nor authority over, any of the activities, functions, or tasks it reviews nor shall their review relieve others of their responsibilities. The internal auditors must maintain a high degree of independence and not be assigned duties or engage in any operations or decision making in any activities that they would normally be expected to review or evaluate as part of the normal audit function.

Responsibility and Role

TBR Policy 04:01:05:00, *Internal Audit*, states the role of Internal Audit is to assist members of the organization in the effective discharge of their responsibilities. Meaningful internal auditing requires cooperation among Internal Audit, the TBR's administration, and the department under audit. In fulfilling their responsibilities, Internal Audit will:

- Comply with auditing standards established by the Institute of Internal Auditors to ensure the effectiveness and quality of the internal audit effort.

- Develop and implement audit plans and programs after consultation with the Chancellor and other administrators that respond to both risk and cost effectiveness criteria.

- Review the reliability and integrity of information, and the information technology processes that produce that information.

- Verify compliance with applicable policies, guidelines, laws, and regulations.

- Suggest policies and procedures or improvements to existing policies and procedures where appropriate.

- Provide audit reports that identify internal control issues and make cost-effective recommendations to strengthen control.

- Facilitate the resolution of audit issues with administrators who have the most direct involvement and accountability.

- Review institutional operations (financial and other) on an advisory basis to inform and assist management in the successful execution of their duties.

- Assist with audits or perform certain agreed upon procedures for external parties. External parties include but are not limited to audit offices of federal and state governments and related agencies.

- Review management's risk assessment process and advise management on the reasonableness and propriety of the assessment.

- Promote and evaluate fraud prevention and identification programs and investigate allegations involving fraud, waste, and abuse.

- Demonstrate and promote appropriate ethics and values within the organization.

- Communicate activities and information among the board, internal auditors, external auditors and the administration.

Organizational and Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 4-01-05-00, *Internal Audit*, the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board. The System-wide Chief Audit Executive reports administratively to the Vice Chancellor for Business and Finance. The institutional Internal Audit Directors report to the respective university or community college President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The internal auditing services provided by the Office of System-wide Internal Audit are reported directly to the Chancellor, president of the related university or community college or director of the related college of applied technology. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to all members of the Audit Committee and to the State of Tennessee, Office of the Comptroller, Division of State Audit. Management is provided a discussion draft of the audit results prior to the issuance of the report. Internal Audit is responsible for following up timely on audit findings to ascertain the status of management's corrective actions.

Audit Standards and Ethics

The Internal Audit function adheres to The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing* (*Standards*). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Periodic Review of Internal Audit Charter

This charter will be periodically assessed by the Chief Audit Executive to determine whether the purpose, authority, and responsibilities defined in this charter are adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

John Morgan, Chancellor
Tennessee Board of Regents

8/5/2015
Date

Tammy Birchett, Chief Audit Executive
Tennessee Board of Regents

8/5/2015
Date

Tennessee Board of Regents
Committee on Audit

DATE:	August 25, 2015
AGENDA ITEM:	**Review of Comptroller's Office Audit Reports**
PRESENTER:	Tammy Birchett
ACTION REQUIRED:	Informational Report
STAFF'S RECOMMENDATION:	Accept Report

BACKGROUND INFORMATION:

The Comptroller of the Treasury, Division of State Audit, under the authority of TCA 4-3-304, performs financial and compliance audits of each Tennessee Board of Regents university, community college and the system office. Universities are audited annually and community colleges and the system office are audited every other year. A description of the standards followed by the Comptroller's Office and the types of findings that may be reported follow this transmittal. The Comptroller's Office also performs performance audits of the Tennessee Board of Regents and higher education operations, as needed.

The Committee will review audit reports received during the quarter; a summary of these reports is included.

FINANCIAL AND COMPLIANCE AUDITS – NO FINDINGS
> Tennessee State University Foundation – Endowment for Educational Excellence
>> — FYE June 30, 2014

FINANCIAL AND COMPLIANCE AUDITS – FINDINGS
> Tennessee State University
>> — FYE June 30, 2014
> Columbia State Community College
>> — FYE June 30, 2014 and June 30, 2013
> Volunteer State Community College
>> — FYE June 30, 2014 and June 30, 2013

NCAA – INTERCOLLEGIATE ATHLETIC PROGRAMS FYE 2014
> East Tennessee State University

STATUS SUMMARY FOR PREVIOUSLY REPORTED FINDINGS

Following the summary of reports is a summary on the status of previously reported Comptroller's Office findings for informational purposes. Internal Audit generally performs a follow-up review of Comptroller's Office findings within six months of issuance. A follow-up report is prepared and submitted to the Comptroller's Office and the Legislature's Office of Fiscal Review. An executive summary of each follow-up audit is included in the Audit Committee's quarterly materials.

Standards followed by the Comptroller of the Treasury
In Relation to Audits of Tennessee Board of Regents Institutions

Audit reports issued for TBR institutions indicate that the Division of State Audit conducts audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in generally accepted government auditing standards. Standards generally accepted in the U.S. are generally the accounting standards issued by the Governmental Accounting Standards Board or Financial Accounting Standards Board of the American Institute of Certified Public Accountants. Generally accepted government auditing standards are those included in Government Auditing Standards, issued by the Comptroller General of the United States. The types of findings described below are based on the guidance provided in these standards.

Types of Findings

Deficiencies in Internal Control[1]
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

Significant Deficiency[1]
A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Material Weakness[1]
A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

A finding normally results when auditors consider a deficiency in internal control to be a significant deficiency or a material weakness.

Instance of Non-Compliance Required to be Reported[2]
When performing GAGAS financial audits, auditors should communicate in the report on internal control over financial reporting and compliance, based upon the work performed, (1) significant deficiencies and material weaknesses in internal control; (2) instances of fraud and noncompliance with provisions of laws or regulations that have a material effect on the audit and any other instances that warrant the attention of those charged with governance; (3) noncompliance with provisions of contracts or grant agreements that has a material effect on the audit; and (4) abuse that has a material effect on the audit.

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[1] Statement on Auditing Standard 115, *Communicating Internal Control Related Matters Identified in an Audit,* was effective for periods ending on or after December 15, 2009.
[2] The December 2011 Revision of Government Auditing Standards, issued by the Comptroller General of the United States, Government Accountability Office.

Institution	For the Year Ended	Fairness of Financial Statement Presentation	Report on Internal Control	Report on Compliance	Findings
Tennessee State University	June 30, 2014	Unmodified Opinion	One finding identified as a significant deficiency, but not as a material weakness	No instances of noncompliance required to be reported	2

Finding 1 – Management did not provide adequate internal controls in three specific areas.

As noted in the prior audits, the university did not design and monitor proper internal controls. The audit observed three conditions in violation of university policies and/or industry-accepted best practices. One condition is repeated from the prior two audits; another condition is repeated from the prior audit. Inconsistent implementation of internal controls increases the risk of fraud or error. The details of these findings are confidential pursuant to Section 10-7-504(i) *Tennessee Code Annotated*.

Management's Comment – Management concurred with the finding and recommendation. Management responded the university is implementing additional internal controls over the specific areas noted during the audit. Three projects are being undertaken with completion dates of December 2015, January 2016 and June 2016.

Finding 2 – **The university's financial aid office did not take necessary action to report Pell Payment Data to the Department of Education within the required time frame during the spring semester.**

Management did not notify the U.S. Department of Education (ED) of Pell disbursements made in the spring 2014 semester by the required deadline. According to the 2013-2014 *Federal Student Aid Handbook*, a school must submit Federal Pell Grant Disbursement records "no later than 15 days after making a disbursement or becoming aware of the need to adjust a student's disbursement." The audit found that 23 of the 25 Pell disbursements tested, management did not notify ED in a timely manner.

Management's Comment – Management concurred with the finding and recommendation. Management stated the financial aid office identified this issue in early spring 2014, during the reconciliation process for Pell. Management determined the parameters set for the extract process only pulled students with both fall and spring enrollment, causing spring-only students to be omitted. In March 2014, the parameter has been eliminated to ensure all records will be extracted.

Internal Audit Follow-Up: An internal audit follow-up report on these findings will be presented to the Audit Committee at a subsequent meeting.

Institution	For the Years Ended	Fairness of Financial Statement Presentation	Report on Internal Control	Report on Compliance	Findings
Tennessee State University Foundation - Endowment for Educational Excellence	June 30, 2014	Unmodified Opinion	No material weaknesses identified	No instances of noncompliance required to be reported	0

Institution	For the Year Ended	Fairness of Financial Statement Presentation	Report on Internal Control	Report on Compliance	Findings
Columbia State Community College	June 30, 2014 and June 30, 2013	Unmodified Opinion	One finding identified as a significant deficiency, but not as a material weakness	No instances of noncompliance required to be reported	1

Finding 1 – Management did not design and monitor internal controls in one specific area

Management did not design and monitor internal controls in one specific area. The audit observed a condition in violation of industry-accepted best practices. Inconsistent implementation of internal controls increases the risk of fraud or error. The details of these findings are confidential pursuant to Section 10-7-504(i) *Tennessee Code Annotated*.

Management's Comment – Management concurred with the finding and recommendation. Management responded that appropriate procedures are being developed to address the condition noted in the finding. Additional controls will be in place no later than December 31, 2015, and staff have been assigned responsibility for ongoing monitoring of the risks for this area.

Internal Audit Follow-Up: An internal audit follow-up report on these findings will be presented to the Audit Committee at a subsequent meeting.

Institution	For the Year Ended	Fairness of Financial Statement Presentation	Report on Internal Control	Report on Compliance	Findings
Volunteer State Community College	June 30, 2014 and June 30, 2013	Unmodified Opinion	One finding identified as a significant deficiency, but not as a material weakness	No instances of noncompliance required to be reported	1

Finding 1 – The college did not provide adequate internal controls in two specific areas

The college did not design and monitor internal controls in specific areas. The audit observed two conditions in violation of college policies and/or industry-accepted best practices. Inconsistent implementation of internal controls increases the risk of fraud or error. The details of these findings are confidential pursuant to Section 10-7-504(i) *Tennessee Code Annotated*.

Management's Comment – Management concurred with the findings and recommendation. Management is taking corrective action to ensure internal controls are strengthened in the two specific areas. These controls will be fully implemented by October 31, 2015.

Internal Audit Follow-Up: An internal audit follow-up report on these findings will be presented to the Audit Committee at a subsequent meeting.

Review of Certain Agreed-upon Procedures Related to the Statement of Revenues and Expenses of the Intercollegiate Athletic Programs

The Comptroller of the Treasury, Division of State Audit, performs certain agreed-upon procedures each year to assist the universities in evaluating whether each Statement of Revenues and Expenses of the Intercollegiate Athletics Programs and the related Notes to that statement comply with the National Collegiate Athletic Association's financial reporting requirements (NCAA Bylaw 3.2.4.16). The engagements are conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, but the agreed-upon procedures do not constitute an examination to express an opinion on compliance with the NCAA requirements. Management of each university is responsible for their statement, compliance with NCAA requirements and the sufficiency of the procedures requested of the auditors. In determining the accuracy of information presented in each institution's statement, the engagement includes analytical procedures, tests or comparison of data to the Banner system or other supporting documents, reviews of internal control procedures and policies and reviews of agreements.

For the specific procedures performed, the auditors noted that data on the statements (1) agreed or reconciled to support or complied with requirements; (2) did not agree and were corrected; or (3) did not agree, but were immaterial or insignificant. Errors noted below affecting the Statements and Notes to the statements were adjusted by management for the final reports. No other significant, unexplained or unusual matters were included in the reports.

For the year ended June 30, 2014:

      East Tennessee State University

		TBR SWIA - Status Report on State Audit Recommendations (Report sorted by Institution and then Date of Final report)				
Institution	**Report Release Date**	**Recommendation**	**Responsible Staff**	**Date Management's Actions to be Implemented**	**Date Internal Audit Follow-Up Completed**	**Status**
TSU FY 2014	Wednesday, August 19, 2015	Finding 1 of 2: Management did not provide adequate internal controls in three specific areas.	Chief Information Officer	Thursday, December 31, 2015; Friday, January 29, 2016; Thursday, June 30, 2016		In Progress
TSU FY 2014	Wednesday, August 19, 2015	Finding 2 of 2: The university's financial aid office did not notify the Department of Education of Pell disbursement in a timely manner.	Director of Financial Aid	Monday, March 31, 2015		In progress
MTSU FY 2014	Wednesday, March 4, 2015	MTSU State Audit Report FY 2014 Finding 1 of 1: The university did not provide adequate internal controls in one specific area.	Chief Information Officer	Saturday, August 1, 2015	Friday, July 31, 2015	Action Completed
UoM FY 2014	Wednesday, January 28, 2015	UOM State Audit Report FY 2014 Finding 1 of 1: Purchasing procedures at the university are inadequate.	Office of Procurement and Contract Services	Monday, June 1, 2015	Monday, May 18, 2015	Action Completed
UoM FY 2014	Wednesday, January 28, 2015	UOM State Audit Report FY 2014 Finding 1 of 1: The university did not provide adequate internal controls in one specific area.	Chief Information Officer	Monday, June 1, 2015	Friday, May 22, 2015	Action Completed
CoSCC FY 2013 and 2012	Friday, July 31, 2015	CoSCC State Audit report FY 2013-14 Finding 1 of 1: Management did not design and monitor internal controls in one specific area.	Chief Information Officer	Tuesday, December 1, 2015		No Progress
VSCC FY 2013 and 2014	Wednesday, July 29, 2015	VSCC State Audit FY 2013-14 Finding 1 of 1: The college did not provide adequate internal controls in two specific areas.	Chief Information Officer	Tuesday, December 1, 2015		No Progress

Tennessee Board of Regents
Committee on Audit

DATE: August 25, 2015

AGENDA ITEM: **Review of Corrective Actions on TBR**
                                        Performance Audit Findings

PRESENTER: Tammy Birchett

ACTION REQUIRED: Informational Report

STAFF'S RECOMMENDATION: Accept Report

BACKGROUND INFORMATION:

Attached is a summary of the actions taken and statuses of findings from the January 2014 Performance Audit report of the TBR system, issued by the Comptroller of the Treasury. Sections highlighted in the summary have been revised since the last Audit Committee meeting. While the evaluation of the sufficiency of TBR's actions to correct the findings will ultimately be made by the Comptroller's Office, the summary shows only the following three findings require additional actions.

   Finding 2 – TBR universities need to develop monitoring systems to ensure that transfer students obtain all allowable college credit for all transferable courses.

   Finding 3 – Not all required Tennessee Transfer Pathways have been put in place, as required by the CCTA of 2010.

   Finding 6 – TBR universities and community colleges have not included General Counsel recommended provisions in foundation agreements.

Tennessee Board of Regents
Report of Corrective Actions on Performance Audit Findings
Date: August 14, 2015

Finding 1		
The Office of System-wide Internal Audit has not conducted audits of funding formula data submitted by TBR institutions.		
Responsibility	**Estimated Completion Date**	**Status**
Tammy Birchett	Orig: Dec 2014 Rev: Spring 2015	Resolved
Action Steps	**Completion Date**	**Comments**
1. Audit Progression Elements	February 28, 2014 (17) and March 10, 2014 (2).	Completed 19 audits of progression data elements.
2. Audit Completion Elements	July 31, 2014 (18 reports) and August 13, 2014 (1).	Completed 19 audits of completion data elements.
3. Meet with THEC and TBR Research staff to plan 3rd Phase – Audits of Other Funding Formula Elements	October 29, 2014	Planning meeting with TBR Research and THEC staff on 10/29/14.
4. Complete sampling plan and audit procedures for 3rd Phase – Other Funding Formula Elements	March 30, 2015	Completed
5. Complete audits on campuses for 3rd Phase – Efficiency and Other Funding Formula Elements	May 15, 2015	Completed 19 audits of efficiency and other data elements.
Note: Completion date of December 2014 was originally projected, but other priorities delayed start of the third phase; completed third phase in Spring 2015.		

Finding 2		
TBR universities need to develop monitoring systems to ensure that transfer students obtain all allowable college credit for all transferable courses.		
Responsibility	**Estimated Completion Date**	**Status**
Tristan Denley	June 2015	*Ongoing*
Action Steps	**Completion Date**	**Comments**
1. Reverse Transfer Agreement with UT and TICUA.	Fall 2014	Completed
2. MOU with UT Knoxville and TBR guarantees transfer admission from community colleges for those who otherwise meet admission criteria and with certain exclusions.	January 8, 2015	Completed
3. Explore feasibility and costs of implementing mechanisms to monitor college course transfers system-wide.	*In Progress*	*We are exploring ways that the CDR infrastructure could solve this.*
4. Common Data Repository	*In Progress*	*Planned testing for May 18 – June 18 at schools to be determined.*
5. Develop Degree Audit script.	*Planned when CDR is operational*	*Future project.*

Tennessee Board of Regents
Report of Corrective Actions on Performance Audit Findings
Date: August 14, 2015

Finding 3		
Not all required Tennessee Transfer Pathways have been put in place, as required by the CCTA of 2010.		
Responsibility	**Estimated Completion Date**	**Status**
Tristan Denley	Orig: Dec 2014 Rev: August 2015	*Ongoing*
Action Steps	**Completion Date**	**Comments**
1. Work with the General Assembly, UT and THEC to identify majors and programs not consistent with transfer pathways.	Filed January 23, 2014.	Requested General Counsel's assistance with drafting legislation (1/6/14).
2. Draft legislation as needed.	Filed January 23, 2014.	Requested General Counsel's assistance with drafting legislation (1/6/14).
3. Pursue passage of legislation.	April 25, 2014	SB2362/HB2246 signed into law by Governor. See Public Chapter 794.
4. Collaborate with UT System to resolve existing TTP issues with Economics and Geography.	December 2014	Meetings have been completed; on track for completion in December. Posted to TTP website.
5. Once degrees in the Academic Inventory that could provide pathways are identified, develop for TTP. 14 areas were originally identified; expanded to 16 pathways because of 3 rather than 1 program in Allied Health Sciences. Provide curricula for new pathways for final review/approval to Chief Academic Officers at UT and TBR.	April 2015	A review of all schools with degrees in their Academic Inventory that could provide pathways, but are not currently listed, resulted in the addition of 16 new pathways, for a total of 52.
6. Work with Chief Academic Officer at UT to obtain final approval of new pathways.	May 2015	UT System affirmed new pathways as proposed.
7. Work with Chief Academic Officers and other TBR groups to obtain approval of new pathways.	July 2015	Approved.
8. Present information to President's Council for final approval of new pathways.	*August 18, 2015*	*Planned for August 18, 2015.*
9. Add new pathways to TTP website.	*August 2015*	*Planned after all approvals obtained.*
Note: Per 2014 PC794, Section 1, THEC shall require UT and TBR to collaborate and develop a transfer pathway for at least the fifty undergraduate majors for which the demand from students is the highest and in those fields of study for which the development of a transfer pathway is feasible based on the nature of the field of study.		

Finding 4		
TBR institutions need to improve how they publicize the TTPs on their websites.		
Responsibility	**Estimated Completion Date**	**Status**
Monica Greppin-Watts	July 2014	Resolved
Action Steps	**Completion Date**	**Comments**
1. Develop written text for each campus to include and imbed information about TTPs in appropriate section of website (if they need text provided).	April 18, 2014	Discussed with UT to develop a similar approach for websites.
2. Identify communications needed with campus stakeholders: Provosts/Academic Affairs, Admissions Officers, and Communications Officers.	April 17, 2014	Spoke with Dr. Schulte to identify stakeholders (4/17/2014).
3. Communicate with Provosts/Academic Affairs regarding changes and communications coming to Admissions & Communications officers.	April 17, 2014	Provosts/Academic Affairs – Dr. Denley completed during quarterly mtg.
4. Send communications via email to Admissions & Academic Affairs officers (with copy to Communications officers) to ask them to review their sites, make changes needed, and report back to System Office when TTPs are clearly represented in the appropriate places on the campus websites.	May 6, 2014	Completed - sent instructions to campuses for information to include on websites. Deadline for campuses to report back is June 2.
5. Communicate with Presidents regarding changes and improvements requested of campuses on websites.	May 20, 2014	Chancellor Morgan and Vice Chancellor Denley reported during Presidents' Council meeting.
6. Get agreement with UT of TTP website changes needed, including details, requirements & exclusions of transfer pathways.	April 18, 2014	Completed
7. Make changes / updates to TnTransferPathway.org website – remove requirement to click "agree," move restrictions and requirements to home page, add "contact us" link to allow reports of problems or questions.	May 28, 2014	Completed
8. Compile summary of web improvements / changes made by campuses.	June 2014	Completed
9. Conduct periodic reviews of each campus website to ensure TTP information is in appropriate location.	July 2, 2014	Completed
10. TTP Website, under Contact Us, includes a means for students needing information or assistance regarding transferring credits; comments go to Academic Affairs.	August 8, 2014	Completed

Tennessee Board of Regents
Report of Corrective Actions on Performance Audit Findings
Date: August 14, 2015

Finding 5		
Not all required dual-admission agreements are in place between universities and community colleges.		
Responsibility	**Estimated Completion Date**	**Status**
Chancellor Morgan	December 2014	Resolved (Note 2)
Action Steps	**Completion Date**	**Comments**
1. Draft legislation to more clearly articulate that dual admission agreements should be undertaken where there is a practical benefit for students dually admitted (i.e., students in a reasonable geographical vicinity).	Filed January 23, 2014.	Requested General Counsel's assistance with drafting legislation (1/6/14).
2. Pursue passage of legislation.	April 25, 2014	SB2362/HB2246 signed into law by Governor. See Public Chapter 794.
3. TBR institutions have agreements with institutions within their geographic proximity.	December 2014	Completed
4. MOU with UT Knoxville and TBR guarantees transfer admission from community colleges for those who otherwise meet admission criteria and with certain exclusions.	January 8, 2015	Completed
5. Under new legislation (PC 794), THEC will define geographic areas for dual-admission agreements.	*Unknown*	*THEC working on definitions. TBR waiting for definitions.*
6.		
Note 1: Per PC 794, Section 2, THEC, in consultation with TBR and UT, shall develop policies under which a person who satisfies the admissions requirements of a 2-year institution governed by TBR and a 4-year institution governed by TBR or UT may be admitted to both such institutions. THEC shall identify those institutions for which such dual admission is appropriate, based on geographic or programmatic considerations.		
Note 2: TBR considers the issue of dual-admission agreements for institutions in close geographic proximity resolved pending any definitions developed by THEC.		

Tennessee Board of Regents
Report of Corrective Actions on Performance Audit Findings
Date: August 14, 2015

Finding 6		
TBR universities and community colleges have not included General Counsel recommended provisions in foundation agreements.		
Responsibility	**Estimated Completion Date**	**Status**
Dale Sims / Mary Moody	Orig: Spring 2015 Rev:Fall 2015	*Ongoing*
Action Steps	**Completion Date**	**Comments**
1. Pursue revisions to TBR Policy 4:01:07:02, *Foundations* and any companion changes needed in recommended provisions of foundation agreements	*In Progress*	Planned for Fall 2015 quarterly meeting cycle.
2. Drafted revisions to policy and circulated to institutions for comments	May 9, 2014	Completed
3. Meeting with selected institutional representative and System staff to review comments on draft changes	June 18, 2014	Completed
4. Draft 2nd revision to policy and model agreement, considering institutional feedback	July 11, 2014	Completed
5. Circulate 2nd revision to institutions thru business officers – solicit feedback during BASC	July 29, 2014	Completed
6. Present final version to Chief Business Officers for approval.	July 25, 2015	Completed.
7. Present final version to Presidents/Directors for approval.	*August 18-19, 2015*	*Assumes no significant issues with final draft*
8. Present final version to Board for approval.	*September 17, 2015*	*Assumes no significant issues with final draft*
9. Instruct institutions to execute revised agreements; set due date for completion (per policy, within 1 year from policy approval).	*Estimated September 17, 2016*	*Assumes no significant issues with final draft*

Finding 7		
The foundations affiliated with the TBR universities and community colleges failed to disclose in-kind services provided by those institutions.		
Responsibility	**Estimated Completion Date**	**Status**
Dale Sims / Mary Moody	October 2014	Resolved
Action Steps	**Completion Date**	**Comments**
1. Discuss finding and needed action with Business Officers during quarterly BASC meeting.	April 22, 2014 BASC meeting	Completed
2. Provide training to campuses during annual financial statement training program.	May 21, 2014	Completed
3. Distribute instructions to campuses on financial statement preparation, including recognition of in-kind services provided to foundations.	Week of July 4, 2014	Completed
4. Monitor June 30, 2014 financial statements for inclusion of in-kind services provided to foundations. (Applicable to foundations using FASB, not GASB accounting standards).	October 2014	Completed. During financial audit, UOM confirmed with State Audit that disclosure was not necessary because of costs covered by foundation.
Note: Verified the UOM solution to this issue with the university and State Audit.		

Finding 8		
TBR institutions have emergency preparedness plans, but additional steps should be taken to ensure campus community safety.		
Responsibility	**Estimated Completion Date**	**Status**
Dale Sims	Spring 2015	Resolved
Action Steps	**Completion Date**	**Comments**
1. Initiate the review of existing Board policies and guidelines governing emergency planning.	February 24, 2014	Requested input from TBR senior staff for February 24 meeting.
2. Consider central point of responsibility for monitoring and guiding emergency management programs.	April 21, 2014	Discussed at senior staff meetings. Alicia Gillespie designated as system office contact.
3. Identify campus contacts.	April 21, 2014	Chancellor requested contact information from campuses.
4. Establish a "standing" committee under BASC charged with responsibility to recommend updates on emergency planning preparedness, advise System Office on developments in field, etc…	June 11, 2014	Completed. Committee determined Guideline needed significant revisions and will meet again.
5. Obtain approval to revisions to TBR Guideline B-100, *Institutional Emergency Preparedness Plan.*	November 11, 2014	Approved by President's/Director's Councils on 11/11/14.
6. Obtain approval for new TBR Policy 4:01:05:70, *Emergency Management Planning.*	December 11, 2014	Approved by President's/Director's Councils; approved by Board on 12/11/14.
Note: Key steps have been completed to create a structure and improved guidance for EP planning. EP is an ongoing process and will require monitoring and meeting with campuses on a regular basis.		

Finding 9		
The background checks for housing staff applicants conducted by the TBR universities are not based on fingerprint submissions and fingerprint procedures are not consistent with statute; the General Assembly may wish to consider amending the statute to clarify the type of background check and fingerprint procedures the universities should take.		
Responsibility	**Estimated Completion Date**	**Status**
Dale Sims / Mary Moody	July 2014	Resolved
Action Steps	**Completion Date**	**Comments**
1. TBR Office of Human Resources and Office of General Counsel will work with the universities to ensure the requirements of TCA 49-7-149 are understood and complied with timely.	January 2014	General Counsel communicated with MTSU regarding compliance with fingerprinting.
2. Provide reminders to university HR officers of background check requirements.	April 10, 2014	Memo sent from April Preston regarding requirements.
3. MTSU will start obtaining full sets of fingerprints for all appropriate housing staff in the fall 2014 semester.	August 2014	MTSU University Counsel confirmed procedure for a full set of fingerprints in place for Fall Semester 2014.

Tennessee Board of Regents
Committee on Audit

DATE: August 25, 2015

AGENDA ITEM: **Review of Internal Audit Reports**

PRESENTER: Tammy Birchett

ACTION REQUIRED: Informational Report

STAFF'S RECOMMENDATION: Accept Report

BACKGROUND INFORMATION:

The following internal audit reports were completed during the quarter; an executive summary of each report is attached. The first group listed will be reviewed with the committee. The other reports will not be reviewed unless the members have questions or comments about the reports.

Internal Audit Reports for Review with the Audit Committee

Internal Audit Reports for Informational Purposes

Internal Audit Follow-Up Reports for Informational Purposes

TCAT Focused Reviews of Operations for Informational Purposes

Information Technology Audit Reports for Informational Purposes

Internal Audit Investigations for Informational Purposes

Status Summary for Previously Issued Internal Audit Reports

Following the executive summaries of internal audit reports is a summary on the status of previously reported Internal Audit findings and observations as of January 31, 2015. Campus auditors conduct follow up procedures to determine if management has taken adequate corrective action and include their conclusions on the summary log. A follow-up report may be issued by the campus auditor if adequate corrective action has not been taken by management.

Tennessee Board of Regents
Audit Committee
August 25, 2015

Internal Audit Reports
For Review with the Audit Committee

University of Memphis
Data Analytics Continuous Monitoring Audit – FY2015
Executive Summary

Key Areas: Financial and Technology Areas	**Auditor:** Senior Technology and Network Security Auditor

Introduction

This is an ongoing audit project started in FY2015 to monitor for potential fraud using a process called "Data Analytics." Data Analytics (sometimes also described as "Continuous Auditing") is an audit approach being promoted and encouraged by various external audit firms and internal audit organizations (such as the *Institute of Internal Auditors* and *Association of College and University Auditors*) as a more cost effective methodology to provide broader scope audit coverage and to also leverage the use of technology. It is also an approach used by some Internal Audit departments that have limited resources as a way to focus constant monitoring in areas identified by Management for ongoing audit focus.

There are a wide range of software products that can be utilized for a continuous monitoring process. It works best within organizations that have data in a relational database or similar database design that allows the use of query and extraction software. Within the University of Memphis data environment the common query tools for Data Analytics are Hyperion (migrating to Argos) and Microsoft products (Access and Excel). Data Analytics requires expertise with the use of these tools which typically requires a background in SQL scripts (Structure Query Language) to effectively use query and extraction software for an ongoing Data Analytics program.

Data Analytics is not a process used only by Internal Audit departments but, is also used by many organizations (including those within higher education) within their Accounting and Financial areas as a monitoring tool for management to adopt aspects of the COSO 2013 internal controls framework. One of the common uses of Data Analytics by higher education management is to monitor activity with procurement cards. The Tennessee Department of Finance and Administration and the Tennessee Comptroller´s Office have indicated that state agencies should review the COSO 2013 internal controls framework to assess internal controls.

Objectives
- Conduct review of electronic files (and other documentation and files as necessary) to identify potential areas of fraud within the University.
- To develop and conduct analytical testing and to consider such relevant data as is sufficient to determine the effectiveness of controls governing complete, accurate, and valid processing or recording of financial information.
- To evaluate segregation of duties and to detect unusual or inappropriate circumstances that may serve as indicators of fraud, abuse or otherwise wasteful activity.

Scope

The audit was performed in accordance with the *International Standards for the Professional Practice of Internal Auditing* and included such tests considered necessary to accomplish the audit objectives. Detailed audit tests focused on FY 2015 with baseline historical testing and background research that included the entirety of the Banner system's transaction data. This audit is a continuous process conducted throughout the fiscal year.

Conclusion

The current audit resulted in no significant issues.

Jackson State Community College
Fraudulent ACH and Check Transactions
Investigation JSCC 15-01
Executive Summary

Key Staff Person: Robin Marek, Director Admissions and Records and Tim Dellinger, Director of Business Services	**Auditor:** Angie Brown, Director of Internal Audit
Introduction: In January 2015, the Office of Internal Audit was notified of a loss of funds through ACH transactions and a fraudulently endorsed check. In September 2014, there were unauthorized ACH transactions of .17 and .02 credits and reversals to verify the bank account and a subsequent charge of $308.77. These charges were used to set up a prepaid credit card. The fraudulent charges were reversed by the bank. In December 2014, a financial aid refund check was mailed to the wrong address and fraudulently endorsed. The student's address had recently been changed in error. The bank reimbursed the institution upon the notice of forgery. The name used on the ACH transactions was similar to the name on the forged check.	
Objective: • To determine whether internal controls related to ACH transactions are adequate. • To determine whether internal controls related to the disbursement of student financial aid refund checks are adequate.	
Scope: The audit included reviewing procedures related to ACH transactions and the disbursement of student financial aid refunds. The process for changing a student's address was reviewed and recent address changes were verified to supporting documentation.	
Observation: Student address changes for the fall 2014 semester were reviewed. Nine of the 46 address changes did not have supporting documentation. **Recommendation:** The change of address procedure should be reviewed and improved to provide assurance that address changes are correct and authorized. **Management's Response:** Address changes will be verified as being submitted by the appropriate person. Address change documentation will be on file. Additional controls will be pursued such as a follow up e-mail when changes occur and collaboration with other schools for improvements in the process.	
Audit Conclusion: Based upon observation and discussion with staff on ACH procedures, internal controls related to ACH transactions appear to be adequate. Except as mentioned above, internal controls related to the disbursement of financial aid refunds appears to be adequate based upon discussion with staff and reviewing the process of disbursement of financial aid refunds through debit cards and checks issued.	

Tennessee Board of Regents
Audit Committee
August 25, 2015

Internal Audit Reports
For Informational Purposes

East Tennessee State University
Travel Procedures
January – June 2014
Executive Summary

Key Staff Person: Associate Vice President Administrative Services, Manager, and Information Research Tech 2	**Auditor:** Martha Stirling and Chris Hyder

Introduction:
An audit of East Tennessee State University's (ETSU) travel procedures was conducted by Internal Audit personnel in accordance with the Annual Audit Plan.

Objectives:

1. To evaluate the adequacy of the internal controls over travel.

2. To determine compliance with university and TBR policies and procedures.

3. To make recommendations for correcting deficiencies or improving operations.

Total Questioned Costs or Losses: None	**Total Recoveries:** Not Applicable

Audit Conclusion:
Internal Audit conducted a review of travel procedures to determine whether all policies and procedures set forth by the university and TBR were being met. A sample of travel claims for the period July to September 2014 was randomly selected for testwork. A total of 123 travel claims were reviewed. These included both in-state and out-of-state travel. Based on the quantity of the transactions tested, minimal discrepancies were discovered. Overall, it appears there are appropriate controls over travel claim reimbursements. The audit objectives were met.

East Tennessee State University
Student Health Billing Practices
January – June 2014
Executive Summary

Key Staff Person: Manager	Auditor: Martha Stirling

| Introduction: An audit of East Tennessee State University's (ETSU) Student Health Clinic (Clinic) was conducted by the Department of Internal Audit due to a special request by the Associate Dean for the Office of Practice. The audit was to include a review of the billing practices for both insured and noninsured students. ||

| Objectives: The main objectives of the audit were to evaluate the adequacy of the internal controls & procedures of the Clinic, to determine if the applicable policies and procedures are followed and to make recommendations for correcting deficiencies or improving operations. ||

| Total Questioned Costs/Losses: None for the university; $1,543.79 in student/insurance overpayment | Total Recoveries: $0 to date. In process of refunding student/insurance companies. |

Findings:

1) <u>Student health billing procedures need improvement</u> - During the course of the audit, it was discovered that proper procedures regarding student health billing were not always followed. Failure to follow appropriate procedures could result in inaccurate payments by students and/or insurance companies. Various recommendations were made in order to improve the student health billing processes. Management concurred with the recommendations and has taken appropriate steps to improve procedures.

2) <u>Cash receipting procedures need improvement</u> - During the course of the audit, it was discovered that proper procedures regarding cash receipting were not always followed. At the end of the day, the Clinic prepares a Daily Close Worksheet listing all payments received, charges, and adjustments. The amounts included in the Daily Close Worksheets should be compared with the daily adjustment, charges, and payment reports from NextGen. It was recommended that appropriate actions are taken to ensure the Daily Close Worksheets are properly reconciled to the daily reports in NextGen. Management agreed to the recommendations and has taken appropriate steps to improve the cash receipting and reconciliation processes.

3) <u>Account adjustment procedures need improvement</u> - During the course of the audit, it was discovered that proper procedures over account adjustments were not always followed. Improper adjustments to the accounts could result in overpayments or underpayments made by students and insurance companies. During audit testwork, some overpayments by students and insurance companies were discovered. It was recommended that all overpayments discovered from patients and insurance companies be reimbursed. Also, student account balances should not be adjusted to zero rather than reimbursing the overpayments. Management concurred with the recommendation and is taking appropriate steps to ensure refunds are made and proper controls are in place to help prevent these overpayments.

The audit objectives were met.

East Tennessee State University
Technology Access Fee Spending Plan
July 1, 2013 – June 30, 2014
Executive Summary

Key Staff Person: Manager, Information Technology Services	**Auditor:** Becky Lewis and Martha Stirling

Introduction:

An audit of East Tennessee State University's (ETSU) Technology Access Fee (TAF) Spending Plan for the year ending June 30, 2014 was conducted according to the Annual Audit Plan. TAF was established in 1993 to facilitate campus technological improvements directly benefiting students. Initially, TBR approved TAF of $15 each semester for all full-time students. The total TAF cost to full-time students is now $112.50 per term.

Objectives:

1. Determine the compliance of the 2013-14 TAF spending plan to Tennessee Board of Regents (TBR) established guidelines.

2. Determine expenditures comply with TBR approved spending plan.

3. Determine variances between actual expenditures and approved spending plan.

Total Questioned Costs/Losses: N/A	**Total Recoveries:** N/A

Audit Conclusion:

TAF 2013-14 revenues were $3,354,710. The 2012-13 unspent balance carried forward was $2,239,650 bringing the total funds available to $5,594,360. As of June 30, 2014, $4,273,131 had been expended. Based on the audit testwork performed, it appears the dollars spent were within the scope of the TAF spending plan and complied with TAF guidelines. The audit objectives were met.

TENNESSEE TECH UNIVERSITY
Accounts Receivable 2014-15
April 29, 2015
Executive Summary

Key Staff Persons: Bursar, Associate Bursar

Auditor: TTU Assistant Director of Internal Audit

Introduction: This internal audit of Accounts Receivable covered fiscal year 2014-15 and a portion of fiscal year 2013-14. The audit included the review of student accounts, other general receivables, third party sponsors, and certain aspects of the University loans collection process.

Objectives:

1. To determine the effectiveness of internal control over Accounts Receivable.
2. To determine that collection efforts comply with TBR and TTU guidelines.
3. To determine that receivables were recorded in the financial statements in the proper amounts.
4. To determine that receivables were valid and collectible.
5. To make recommendations to correct deficiencies or to improve operations.

Total Questioned Losses: None   **Total Recoveries:** N/A

Findings

Finding 1: Collection of Accounts Receivable. Certain aspects of the collection efforts were not in compliance with the TTU Collection of Accounts Receivable Policy.

Finding 2: Banner Access. Two employees had update capability on forms that do not seem appropriate for the position they currently hold.

Conclusion: Except as mentioned in the findings, internal control over Accounts Receivable appears to be adequate, and collection efforts comply with TBR and TTU guidelines. Receivables were recorded correctly in the financial statements and were valid and collectible. Management has taken or will take appropriate actions to correct the findings.

This report is intended solely for the internal use of Tennessee Tech University and the Tennessee Board of Regents. It is not intended to be and should not be used for any other purpose. The distribution of the report to external parties must be approved by the Office of Internal Audit and handled in accordance with institutional policies.

TENNESSEE TECH UNIVERSITY
Inventory Observations 6-30-15
July 17, 2015
Executive Summary

<u>**Key Staff Persons:**</u> Vice President for Planning and Finance
Associate Vice President for Facilities and Business Services
Associate Vice President for Communications & Marketing
Director of Printing Services
Director of Craft Center
Director of Fitness Center
Interim Director of the School of Agriculture

<u>**Auditors:**</u> TTU Director of Internal Audit, TTU Assistant Director of Internal Audit

<u>**Objectives**</u>

1. To determine that the manner in which each area took inventory was proper.
2. To verify that accountability of the inventory count sheets was maintained throughout the inventory process.
3. To establish the physical existence of the inventory and to determine that all items were counted and included in the inventory value.
4. To determine that inventory values were accurate.
5. To determine that the inventory was fairly stated on a basis consistent with the preceding year and to determine that the inventory value per auditor agreed with the reported value on the general ledger.

<u>**Total Questioned Losses:**</u> None   <u>**Total Recoveries:**</u> N/A

<u>**Findings and Observations**</u>

No findings were made.

<u>**Conclusion**</u>

All objectives were satisfied in a positive manner. All inventories were taken in a systematic manner, and all inventory count sheets were accounted for. Test counts, test extensions, and footings verified the accuracy of the final inventory. Reasonable explanations were on hand for differences in current and prior year inventory totals. The inventory value per the general ledger agreed with the inventory value per auditor and was stated in a manner consistent with the prior year.

This report is intended solely for the internal use of Tennessee Tech University and the Tennessee Board of Regents. It is not intended to be and should not be used for any other purpose. The distribution of the report to external parties must be approved by the Office of Internal Audit and handled in accordance with institutional policies.

University of Memphis
Study Abroad Audit - Executive Summary
May 14, 2015

Title of Key Staff Person: Assistant Director, International Programs & Study Abroad	**Auditors:** Senior Internal Auditor, & Financial & Compliance Auditor

Background:

Internal Audit has completed a compliance review of the University of Memphis Study Abroad program. The University of Memphis Study Abroad Program provides the opportunity for students to study in 50 countries abroad and over 200 study sites. Programs are labeled as bilateral exchanges, faculty-led programs or affiliated partner programs. Currently there are 30 active bilateral exchange programs, 7 faculty-led program sessions, and 9 active affiliated partners. During FY2014, there were almost 350 study abroad student participants.

Memorandums of Agreement or Understanding are negotiated for bilateral exchange programs and affiliate programs. There is a proposal formulation and approval process for UOM faculty-led study abroad programs. Study Abroad costs vary according to the program. Program costs may include tuition, room and board, airfare, and books or other instructional costs. The program costs, application fees, and any requirements for bilateral and affiliate programs are determined by the affiliate/partner, rather than the UOM. Course credit is granted by the host institution, rather than the UOM. Students participating in a UOM faculty-led program pay UOM tuition, the UOM application fee, and generally travel, room and board directly to the UOM. The UOM grants credit for the faculty-led programs.

Objectives:

The primary objectives of the Study Abroad Compliance audit were:

- To test compliance with TBR and UOM policies pertaining to study abroad and international programs,
- To assess the adequacy of financial management; ensure costs are monitored and controlled, and
- To assess the adequacy of internal controls.

Conclusion:

The audit objectives were achieved. Based on the results of all audit work performed, internal controls were generally adequate. We did note issues related to the following items and made recommendations intended to improve compliance and ensure efficient operations.

1. Legal review of contracts or memorandums of agreement or understanding related to international studies.
2. Remittance of approved contracts or memorandums of agreement or understanding related to international studies to the TBR Vice Chancellor of Academic Affairs.
3. Maintenance of a reserve/contingency fund for study abroad program emergencies.
4. Developing a comprehensive policy for study abroad programs.
5. Remittance of the Study Abroad Emergency Response Plan to the TBR Office of Academic Affairs.
6. Sign-in and tracking process for study abroad orientation meeting attendance of program directors/group leaders to ensure attendance.
7. Improving the study abroad program evaluation and assessment procedures.

Study Abroad management has indicated agreement and is taking action to address the recommendations.

University of Memphis
Fixed Assets Audit – FY 2015
Year End Results - Executive Summary
July 20, 2015

Key Staff: Accounting Management and Equipment Representatives	Auditors: Senior Internal Auditor, Financial Compliance Auditor, Administrative Associate

Introduction

The University of Memphis maintains assets such as land, buildings, software, art collections, library holdings, and equipment with a net book value of more than $438 million. In accordance with the Tennessee Financial Integrity Act, University management is responsible for establishing and maintaining internal controls to provide reasonable assurance that assets are safeguarded against waste, loss, unauthorized use or misappropriation. (TCA-9-18-101-103).

This is a continuous monitoring project that we perform throughout the year across the entire University. Each month of the fiscal year, an office, department, or type of asset is reviewed.

Objective

The objective of this audit was to ensure compliance with TBR and UOM policies for assets categorized as equipment and art collections, specifically that these:

- Fixed assets are present,
- Fixed asset records are accurate,
- Assets are capitalized and tagged if they meet policy criteria,
- Assets are reported as lost or stolen assets as required, and
- Assets are properly verified on the annual inventory confirmation as required.

Scope

Assets selected for audit testing were chosen from 2 categories of assets – equipment and art and historical collections, which have a total value of $40 million before depreciation. A total of 122 assets with a value of $2.5 million were selected throughout FY 2015.

Results

Audit issues with recommendations were reported monthly throughout the year to the responsible custodian departments and Accounting, so that timely corrective action could be taken. Action was taken for the issues we noted throughout the year.

FY 2015 annual inventory confirmations were due to General Accounting by April 15, 2015. As of May 7, 2015, 142 organizations with fixed assets had failed to submit their inventory confirmations Accounting (36%). The annual inventory confirmations are part of Management's internal controls over this area.

Conclusion

The audit objectives were achieved. Based on the results of all audit work performed, internal controls were generally adequate and provided sufficient assurance of compliance with TBR and UOM policies.

Accounting is working to resolve the issue with 142 (36%) organizations who did not submit their inventory confirmations by the due date. As of July 14, 2015, the number was reduced to 37 (9%) organizations that had not turned in their confirmations.

University of Memphis
Athletics – Ticket Policy Audit
Executive Summary
July 21, 2015

Title of Key Staff: Interim Associate Athletics Director for Finance, Interim Vice President-External Relations & Executive Director-Alumni Association	Auditors: Senior Internal Auditor, & Financial/Compliance Auditor

Background:

Internal Audit has completed a compliance review for complimentary athletic event tickets relative to TBR Policy B-043 *University Athletic Tickets.*

The Athletics Department provides complimentary tickets to current student athletes, prospective student athletes, coaches, Athletics Department employees, vendors, and others for marketing and public relations purposes. The President's Office provides complimentary tickets to University administration and for government and community relations purposes.

Objectives:

- Test compliance with applicable TBR, University, and Athletic Department policies and procedures related to complimentary admissions and ticket benefits.

- Ensure that complimentary tickets are authorized and controlled per TBR policy.

- Test compliance with applicable NCAA legislation governing complimentary admissions and ticket benefits.

Conclusion

The audit objectives were achieved. Based on the results of all audit work performed, internal controls were generally adequate however we noted documentation and policy issues that indicate opportunities to improve compliance, ensure accountability and strengthen controls over complimentary tickets.

Management has indicated agreement with recommendations made and is taking action to address the proposed improvements.

Background:

The University of Memphis (UOM) Physical Plant Department performs a physical count of Physical Plant supplies and fuel as part of the year-end closing process for valuation in the financial statements. UOM Internal Audit performed observation procedures based upon instructions issued by the Tennessee Comptroller of the Treasury, Department of State Audit, Division of State Audit ("the State Auditors") in connection with their annual financial statement audit for the purpose of issuing an opinion on the UOM FY 2015 financial statements.

The year-end count was conducted by UOM on June 26-27, 2015 which was observed by UOM Internal Audit.

Objectives:

To determine that UOM had adequate year-end inventory count procedures and that an accurate inventory count was obtained at year-end.

Scope:

The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*, issued by the Institute of Internal Auditors and accordingly included test counts of inventory, tests of the inventory and accounting records and such other auditing procedures considered necessary.

Conclusion:

No significant variances were noted with our test counts of inventory and UOM had adequate procedures in place over the year-end physical count process to ensure an accurate count.

The year-end inventory values recorded are provided below for comparative purposes.

	FY2014	FY2015	Increase (Decrease)	Percent Changes
Physical Plant	$349,109.00	$344,053.00	$ (5,056.00)	-1.5%
Stand-by Fuel	$128,574.00	$128,779.00	$ 205.00	0.2%
Total	$477,683.00	$472,832.00	$ (4,851.00)	-1.0%

Title of Key Staff Persons: Bursar and Controller and Business Officers	**Auditors:** Financial & Compliance Auditor, Sr. Auditor, and Administrative Associate

Background and Scope:

Cash counts were performed by Internal Audit as a continuous monitoring audit based upon a special request from management, and to provide assistance to the Comptroller of the Treasury-Department of Audit-Division of State Audit with their annual audit of the University's financial statements. This is not a risk based audit. Cash is currency on hand as recorded in the General Ledger used primarily for drawer funds by cashier's at the Bursar's Office and to provide other offices within the University with a convenient means of making change while performing cash receipting activities.

The following is a summary of all the cash balances as maintained in the General Ledger at the time of the departmental cash verification audits.

DEPARTMENT/ACTIVITY	AMOUNT	
BURSAR'S OFFICE	$23,000.00	*
PARKING PAY STATIONS	$6,000.00	*
ATHLETICS	$5,000.00	*
PARKING GARAGE	$1,400.00	*
SPEECH & HEARING CTR	$750.00	*
CHUCALISSA MUSEUM	$575.00	*
PARKING AUTHORITY (OFFICE)	$400.00	*
SCHOOL OF MUSIC CCFA	$300.00	
TIGER COPY & GRAPHICS	$285.00	*
COMMUNITY MUSIC SCHOOL	$150.00	*
THEATRE AND DANCE	$150.00	*
LAMBUTH	$100.00	*
HEALTH SERVICES	$75.00	
CAMPUS RECREATION	$60.00	*
PSYCHOLOGICAL SERVICE CENTER	$50.00	
HELMSMAN	$25..00	
TOTAL	**$38,320.00**	

*Counted by Internal Audit During FY 2015 (99%)

The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors. The audit included tests of records and other procedures considered necessary to achieve the objectives.

Objective:

To determine that the University has adequate controls and procedures over cash handling. In accordance with the Tennessee Financial Integrity Act, University management is responsible for establishing adequate internal controls (TCA-9-8-101-102-103) within the organization.

Conclusion:

The audit objectives were achieved. Based on the results of all audit work performed, internal controls over cash handling were generally adequate and the amounts are in balance with University records. The current audit resulted in no significant variances.

Executive Summary

Introduction	An internal audit of Bank Reconciliations for the period July 1, 2014 through December 31, 2014 was conducted by the Chattanooga State Community College (ChSCC) Internal Audit department. The Grants, Contracts and Student Accounts Department is responsible for the monthly bank reconciliation of all accounts and maintaining copies of executed bank contracts. The Business Office is responsible for transactions that affect the Bank Reconciliation process such as: executing bank contracts, preparing checks, distributing checks and creating/maintaining vendors in Banner.
Objectives	• To determine the adequacy of the existing system of internal control. • To ascertain that all appropriate TBR and institutional policies and procedures are being followed. • To establish existing bank accounts and any applicable arrangements or restrictions such as compensating balance agreements. • To establish the validity of the amount of funds recorded as "cash in banks" by testing bank reconciliations.
Conclusion	ChSCC's Business and Finance personnel provide adequate controls over the bank reconciliation process, however bank account maintenance processes and finalized written departmental procedures are needed to compliment the campus policies and procedures. Also, a segregation of duties concern was identified during our review.
Recommendations	Based on the preformed audit procedures, Internal Audit recommends: • Business Office should segregate vendor maintenance, Accounts Payable, and checks writing duties. • Grants, Contracts and Student Accounts Department should finalize the department's written bank reconciliation procedures to ensure the process is performed consistently. • The Business and Finance Division should follow-up with all banks to ensure all authorization signatures are updated once the new President arrives on campus. • Bank contracts should be reviewed on an annual basis to ensure wire personnel authorizations are up-to-date and ChSCC is in compliance with all contracts.
Management Response	The Business and Finance Division Management have evaluated the audit recommendations and determined the following actions: • The Business Office will remove the Data Coordinator from access to the Banner vendor create/maintenance screens in by July 1, 2015. • The Grants, Contracts and Student Accounts Department will finalize the department's written bank reconciliation procedures by June 15, 2015. • Bank account signature authorizations will be completed within 30 days of the first working day of the new Chattanooga State President. • Bank contracts will be reviewed on an annual basis to ensure wire personnel authorizations are up-to-date and ChSCC is in compliance with all contracts by December 31, 2015 and every December thereafter.

Nashville State Community College
Career Services
Published Salary Data
Years 2008 through 2012
Executive Summary

Key Staff Person: Dr. Carol Martin-Osorio	**Auditor:** Patricia Feller, CPA, CIA, CFE

Introduction: The Nashville State Community College Career Services Offices has provided published salaries of graduates online, since 2002 through 2012. The source of this data is the Career Employment Center Graduate Status Report form completed by graduates of Nashville State Community College.

Salary reporting is strictly voluntary by the graduate. Salary information is held strictly confidential. It is used only to compile average salary statistics for graduates by major and is reported to determine salary trends for Nashville State Community College graduates.

Objective: The objective of the audit was to determine whether Nashville State Community College's internal controls provided reasonable assurance that the published salary data for the years 2008-2012 were accurate and based on the institution's supporting records.

Scope: This audit included published salaries for 2008 through 2012 for Associate Degree Programs. The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* issued by The Institute of Internal Auditors. The audit included tests of records and other procedures considered necessary to achieve the objectives.

Audit Conclusion: Based on audit tests performed on a sample of data, salaries reported by the Career Services Center for the years 2008-2012 appeared accurate. Also, the review of the system of internal controls over this data indicated that the college has established controls to provide reasonable assurance that the data is accurately reported. The audit did not reveal matters warranting audit findings or observations.

Pellissippi State Community College
Internal Audit Executive Summary
Audit: Accounts Payable and Accrued Liabilities
Period: July 1, 2013, through June 30, 2014

Title of Key Staff Person: Manager, Accounts Payable; and Director, Budget & Payroll	**Auditor:** Suzanne L. Walker, Director of Internal Audit

Background:

An audit of accounts payable and accrued liabilities was conducted for the period of July 1, 2013, through June 30, 2014, according to the annual audit plan.

Objectives:

To determine compliance with institutional, Tennessee Board of Regents, and other regulatory bodies' policies regarding the recording of payables and liabilities at year end.

Total Questioned Costs/Losses: None	**Total Recoveries: N/A**

Audit Conclusions:

Pellissippi State's accounts payable and accrued liabilities balances at June 30, 2014, totaled $3,310,337.92. A sample of the transactions comprising this total was selected for testing. The sample selected totaled $810,843.55 (24.50%).

During the course of this audit, some minor discrepancies were noted in test work, but none were considered to be material enough to warrant an audit finding. The discrepancies noted appeared to be isolated incidents, and the college's procedures for handling payables and accrued liabilities appears to be appropriate.

Southwest Tennessee Community College
Review of Unemployment Expenditures
July 1, 2013 - June 30, 2014
Executive Summary

Key Staff Person: Executive Director of Human Resources	**Auditor:** Charlotte Johnson, Internal Auditor

Introduction

Unemployment insurance provides benefits to unemployed workers who have lost their jobs through no fault of their own. Southwest Tennessee Community College is a reimbursing employer. They reimburse the Department of Labor and Workforce Development, dollar for dollar for the benefits charged to their account in lieu of paying monthly premiums. Charge statements are sent monthly to reimbursing employers and payment must be made for those benefits paid within 30 days of the date of notice. Unemployment expenses, for Southwest Tennessee Community College, has risen from $26,024.37 in fiscal year 2007 to $161,890.05 in fiscal year 2014.

This review was performed as a result of an employee's concern that the college pays benefits to part-time employees who are not eligible for benefits and Human Resources does not appeal questionable claims, resulting in the increase in unemployment expenses.

Objectives
- To determine whether Department of Labor and Workforce development invoices included only charges for eligible employees and were correctly processed and paid.
- To determine whether full or part-time employees receiving unemployment benefits are eligible for benefit payments.

Recommendation
1. Management should implement a process that assures monthly unemployment invoices are submitted from the Accounts Payable department to the Human Resources department for review and approval before payment is made.

Conclusion

The review objectives were achieved. Based on the results of all audit work performed, Southwest Tennessee Community College pays unemployment claims according to the regulations set by the Department of Labor and Workforce Development. Management concurs with this recommendation.

Southwest Tennessee Community College
Special Review of Gymnasium Rentals
July 1, 2013 - June 30, 2014
Executive Summary

Key Staff Person: Mattie Johnson, Administrative Secretary of Physical Plant	**Auditor:** Charlotte Johnson, Internal Auditor

Introduction

A special review of Southwest Tennessee Community College's gymnasium rentals for the fiscal year of July 1, 2013 to June 30, 2014 was conducted. The college has two gymnasiums, Nabor's on the Macon campus and Sail's on the Union campus: both are available for rental by affiliated and non-affiliated groups or individuals when not in use for college event. A special review was requested to determine if prior year's fees for gymnasium rental were collected. The special review also included a review of policy and procedures to ensure that all assessed fees are collected and properly documented.

Objectives

- To evaluate the internal controls for assessing, collecting and recording rental fees.
- To determine that fees assessed for gymnasium rentals were collected for the 2013-2014 academic year.

Recommendations

1. Internal controls for monitoring gymnasium rentals and payments must be improved to ensure compliance with Tennessee Board of Regents and university policies.

Conclusion

The audit objectives were achieved. Based on the results of audit work performed, fees assessed for gymnasium rentals for the 2013-2014 fiscal year were collected and properly recorded. Southwest Tennessee Community College has key internal controls that were generally adequate and functioning but need to be updated and improved. Management concurred with this recommendation.

Restriction on Use of Report: *This report is intended solely for the internal use of management and the Tennessee Board of Regents. It is not intended to be and should not be used for any other purpose. The distribution of the report to external parties must be approved by the Office of System-wide Internal Audit.*

Southwest Tennessee Community College
Review of Motor Vehicles Procedures
July 1, 2013 - June 30, 2014
Executive Summary

Key Staff Person: Alice Webster, Technical Clerk of Physical Plant	**Auditor:** Charlotte Johnson, Internal Auditor

Introduction

Southwest Tennessee Community College establishes procedures concerning the maintenance and operation of motor vehicles by employees. The procedures are consistent with the policies of the Tennessee Board of Regents. A review was performed to determine if the college's internal controls and procedures are adequate and if they are being followed.

Objectives

- To evaluate the internal controls for motor vehicles to determine if sufficient controls exists.
- To determine if the operating procedures are known and utilized by all departments having access to the University supplied vehicles.
- To review Motor Pool record, for each vehicle for proper documentation pertaining to vehicle usage.

Recommendations

- All requests for vehicle usage should be submitted through Event U. This software requires details for a specific event and supervisor approval. A request by email does not cover all required details.
- Mileage on each returned vehicle should be reviewed for reasonableness by the Technical clerk and compared to the college's mileage chart.
- Documentation for local travel should contain details showing the reason for the time and the destination.
- Plant Management's monthly review of Fuelman credit card bills should be documented. The bills should be reviewed by plant management and compared to credit card receipts.

Conclusion

The review objectives were achieved. Based on the results of audit work performed and except as noted in the recommendations above, Southwest Tennessee Community College has key internal controls that were generally adequate and functioning. Management has concurred with the recommendations and stated they will be implemented immediately.

Key Staff Persons: Ms. Linda Mason, Dean of Student Records; Dr. Debra McCarter, VP for planning, Research and Assessment; Ms. Ann Bowen, Assistant VP for Student Affairs; Dr. Joe Combs, Dean of Workforce Training; Ms. Gail Winkler, Associate Professor and Director of health Information Programs	**Auditor:** Mark Ortlieb, CPA

Introduction: The CCTA of 2010 (the Act) charged the Tennessee Higher Education Commission (THEC) with developing a statewide master plan for the state's public higher education institutions and for directing those institutions to be accountable for increasing the educational attainment levels of Tennesseans. In implementing the plan, the Act requires that THEC use an outcomes-based model for making funding recommendations. The outcome measures identified for use in the funding formula are different for universities and community colleges and are further distinguished by weighting the measures by institutional mission. The outcomes may be grouped into student progression, student completion (degrees and certificates awarded), efficiency measures and other important institutional factors.

Objective: The objective of the audit was to determine whether Walters State Community College's internal controls provide reasonable assurance that efficiency and other outcome data was accurate and in compliance with the reporting instructions provided by TBR based on the institution's supporting records.

Scope: This audit included efficiency and other outcome measures from the 2012-2013 academic year and fiscal year. For community colleges, the measures include Remedial and Developmental Success, Awards/Degrees per 100 Full Time Enrollment, Job Placements and Workforce Training Contact Hours. Three data elements were not included in this audit because they are determined by THEC using data collected from other sources, which is outside the audit authority of TBR; for the institutional data that is also used in these calculations, there were no significant issues noted in the prior audits. Therefore, Transfers Out, 6-year Graduation Rate and Low-Income Completions and Degrees were not included in this review.

Finding: : Although the Workforce Training data element as defined in the 2012-2013 THEC fact book is the total number of technical training contact hours in an academic year, WSCC's Workforce Training Department reports contact hours based on the July-to-June fiscal year. According to the Associate Vice Chancellor for Workforce Development at the TBR, the collecting/reporting of the contact hours is intended to follow the THEC funding cycle that is based upon the fiscal year. Since community colleges were instructed to submit workforce developmental contact hours on that basis, the THEC definition as defined in the fact book should be revised accordingly.

By using the starting date of workforce training courses as the determining factor for when workforce development contact hours are reported to the TBR's Office of Academic Affairs' Workforce Development Department, only courses that being in a fiscal year are reported for that fiscal year.

Xenegrade's XenDirect(Plus) is a powerful student database registration system that automates the registration process for continuing education programs and allows the management of registration data in one, integrated, cloud-based system. Workforce Training personnel of the

college use the XenDirect student database registration system to accumulate information relative to normally-recurring Workforce Training courses and to generate reports based on established parameters.

However, for the Health Information Technologies (HIT) courses funded by the U.S Department of Health and Human Services (HHS) as a grant program in the American Recovery and Reinvestment Act (ARRA), Workforce Training personnel accumulated data for this grant in Microsoft Excel as a standalone database in order to capture the information required by the Office of the National Coordinator of Health Information Programs.

Due to a lack of internal controls in the review and verification process, contact hours reported for inclusion in the 2012-2013 submission to the TBR and ultimately the THEC were improperly interpreted. Although WSCC's Workforce Training Department only intended to report the contact hours for students who successfully completed their courses, contact hours for the 2012-2013 fiscal year inadvertently included students who withdrew or did not successfully complete their courses as though they had successfully completed their courses as well.

In reality, a person does not need to successfully complete workforce training courses for the hours invested by the institution to be counted in the workforce development data element. All contact hours for any module that comprise a course can be counted as workforce development. As a result, 152,010 of the 194,026 contact hours reported for 2012-2013 represented students who successfully completed their courses. Some portion of the additional 42,016 contact hours that represented actual contact hours for students who withdrew or did not successfully complete their courses should have been included as well.

Audit Conclusion: Based on audit tests performed on a sample of data, the efficiency and other outcome measures reported to THEC for Walters State Community College for the 2012 – 2013 academic year and fiscal year appeared accurate except for errors in the accumulation of Workforce Training data. Also, the review of the system of internal controls over this data indicated that the college has established controls to provide reasonable assurance that the data is accurately reported except for the reporting of Workforce Training data. The audit did not reveal matters warranting audit findings or observations other than the errors in the accumulation of Workforce Training data.

The college's efficiency and other outcomes reported by THEC for 2012 – 2013 were as follows:

For the 2012 – 2013 academic year:

Awards/Degrees per 100 Full Time Enrollment	19.37
Remedial and Developmental Success	1,817
Job Placement Rates	92%

For the 2012 – 2013 fiscal year:

Workforce Training Contact Hours	194,026

Tennessee Board of Regents
Audit Committee
August 25, 2015

Internal Audit Follow-Up Reports
For Informational Purposes

Objective:

The objective of the review was to determine if management has implemented the corrective action proposed in their response to the state audit finding.

State Audit Finding:

The University did not provide adequate internal controls in one specific area

The university did not design and monitor internal controls in a specific area. A condition was observed that was in violation of industry-accepted best practices. Inconsistent implementation of internal controls increases the risk of fraud or error.

The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated.* The university was provided detailed information regarding the specific conditions identified, as well as recommendations for improvement.

Recommendation:

Management should ensure that this condition is remedied by the prompt development and consistent implementation of internal controls in one area. Management should implement effective controls to ensure compliance with applicable requirements; assign staff to be responsible for ongoing monitoring of the risks and mitigating controls; and take action if deficiencies occur.

Management's Comments:

We concur with the finding and recommendation. Management has implemented the appropriate procedures to ensure the condition identified has been remedied. Those procedures include effective controls for ensuring compliance. Appropriate personnel have been assigned responsibility for monitoring those processes and mitigating deficiencies should they occur.

Follow-Up Comments:

The procedures implemented by management to ensure the condition identified has been remedied were reviewed. It appears the control procedures were revised to improve compliance. Personnel from the appropriate departments are assigned responsibility for monitoring the procedures and mitigating deficiencies.

Conclusion:

Based on the follow-up review performed, it appears management has taken corrective action to address the finding and recommendation.

University of Memphis
Follow-up State Audit Findings FY2014 Audit
Executive Summary
May 18, 2015

Titles of Key Staff: Vice-President of Business and Finance and Vice Provost and CIO for Information Technology	**Auditors:** Senior Internal Auditor and Financial/Compliance Auditor and Senior Technology and Network Security Auditor

Introduction:

University of Memphis (UOM) Internal Audit was requested by the Tennessee Board of Regents Office of Business and Finance (letter dated January 27, 2015) to follow-up and review the actions taken by UOM Management to address the findings noted by the Division of State Audit in the FY2014 audit of UOM. It was requested that the follow-up report be issued by June 1, 2015.

The Division of State Audit reported dated December 5, 2014 entitled *"Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards"* did not note any matters considered *"material weaknesses"* with internal controls but did identify the following two matters which were considered *"significant deficiencies"* with UOM internal controls. These were included in the *"Findings and Recommendations"* section of the audit report.

1. Purchasing Procedures at the University of Memphis are inadequate.

2. The University of Memphis did not provide adequate internal controls in one specific area.

Objective:

To determine that UOM Management took steps to address the audit findings noted by the Division of State Audit in the FY2014 audit.

Conclusion:

The audit objective was achieved. In our opinion, UOM Management has properly evaluated the findings and the associated risks and has taken steps to address the findings. Given the date the state audit report was issued and the requirement to issue a report to TBR, UOM Management did not have adequate time to fully implement all planned actions. Therefore, UOM Internal Audit will add a follow-up audit to the UOM FY2016 audit plan to perform testing when Management has fully implemented all planned steps in FY2016.

Nashville State Community College
Follow-Up to the State Audit Report
For Fiscal Years Ending June 30, 2013 and June 30, 2012
Executive Summary

Key Staff Person: Mary Cross, Vice President of Finance & Administrative Services	**Auditor:** Patricia Feller

Introduction: Nashville State Community College's financial statement audit for the years ended June 30, 2013 and June 30, 2012 contained two findings. As required, Internal Audit has performed a follow-up review of actions taken in response to the findings.

Objective: The objective of the review was to determine if management has implemented corrective actions for the findings noted in the State Audit's annual audit report for the fiscal years ended June 30, 2013 and June 30, 2012.

Total Questioned Costs or Losses: None	**Total Recoveries:** Not Applicable

Findings:
1. The college needs to improve its system of control for the preparation of the financial statements.
2. The college did not provide adequate internal controls in four specific areas.

Audit Conclusion:

Nashville State Community College management has increased efforts and actions to improve financial statement preparation and review procedures to prevent material errors in the financial statements. In addition, Nashville State Community College has fully complied with and in some cases exceeded, recommendations to provide adequate internal controls in the four specific areas sited by State Audit.

Specifically, management has provided training to key staff by their completion of the Tennessee Board of Regents' Financial Statement Preparation Training Class at Tennessee Technological University in May 2014 and May 2015. Management replaced a part-time employee with a full-time employee as Manager of Accounting Processes, in May 2015. Management has hired a replacement for the Director of Property Management & Accounting, recently retired, and added a part-time employee in the Bursar's office, both active, licensed CPAs in the State of Tennessee. In total, the Business Office now has four employees who hold a CPA certificate.

A Desktop procedure was written to document how to prepare the TCATs' Cash Roll at year end. The work papers for the preparation of the financial statements have been enhanced by adding more supporting documentation to assist reviewers in determining the accuracy of the numbers in the financial statements. The Manager of Accounting Processes reviews and documents existing processes in the Business Office with the intent of making recommendations to improve documentations and controls. It appears that with these changes and additions, the occurrence or detection of material errors should be reduced.

Management has fully complied with State Audit's recommendations, in the four specific areas. A new Disaster Recovery Plan was developed, is operational and tested annually. Management has instituted automated controls and updated documentation for certain processes. Two other areas have been addressed and are being consistently applied.

Tennessee Board of Regents
Audit Committee
August 25, 2015

TCAT Focused Reviews of Operations
For Informational Purposes

Tennessee College of Applied Technology - Dickson
Focused Operational Review
Executive Summary

College Director: Dr. Arrita Summers	Internal Auditor: Helen Vose, CIA, CFE
Report Date: June 11, 2015	Audit Period: Fiscal Year Ending June 30, 2014

Purpose and Scope:

To assess the adequacy of management's system of internal controls for specific areas identified as higher risk during the past operational reviews of all Colleges of Applied Technology and requests by management. Schools that are recipients of Federal Student Aid are required to notify students of various consumer information. The regulations may specify how the information is disclosed or allow the school to decide. Consumer information was reviewed in four of the eleven key areas identified in federal regulations. The College's notices were reviewed for ease of access for students by several delivery methods. Transactions were tested on a sample basis and other audit procedures were performed on controls in the following areas:

- **Accounts Receivable**
- **Director's Expenses**
- **Federal Financial Aid Consumer Information Activities**:
  1. Institutional and Financial Assistance Information - Federal financial assistance available and related eligibility procedures, cost of attendance, accrediting agencies and other areas.
  2. Students Right to Know Act - Completion, retention and placement rates.
  3. Jeanne Clery Act - Campus security, emergency notification/response and crime statistics.
  4. Misrepresentation - Educational programs, financial costs and employability of graduates.

Current Audit Results:	Based on observations, discussions with management, and the testwork performed in the areas listed above for the period covered, management's systems of internal controls appear adequate. Management monitors key controls on a regular basis. The audit did not reveal significant issues of noncompliance with regulations or TBR or institutional policies or significant deficiencies in operations. However, one opportunity for improvement was noted as described in the observation below.

Observation

1. **Accounts Receivable – Collection letters should be sent at 30 day intervals**

   For two of 5 (40%) students tested with receivable balances, collection letters were sent 42 days late, after allowing 30 days for students to respond or make payment. Management stated these letters were sent late because both the employee responsible for sending the letters and that employee's back-up were out of the office unexpectedly at the same time.

   TBR Guideline B-010, *Collection of Accounts Receivable*, section II.C., states, "A minimum of three billings or letters of contact shall be sent by the institution at thirty day intervals once an account becomes delinquent."

   Corrective Action:
   Management has asked all staff to document their processes for the contingency plan to ensure all duties are covered if an employee is absent for an extended length of time.

Tennessee College of Applied Technology - Hartsville
Focused Operational Review
Executive Summary

College Director: Mrs. Mae Perry	**Internal Auditor:** Helen Vose, CIA, CFE
Report Date: May 22, 2015	**Audit Period:** Fiscal Year Ending June 30, 2014

Purpose and Scope:

To assess the adequacy of management's system of internal controls for specific areas identified as higher risk during the past operational reviews of all Colleges of Applied Technology and requests by management. Schools that are recipients of Federal Student Aid are required to notify students of various consumer information. The regulations may specify how the information is disclosed or allow the school to decide. Consumer information was reviewed in four of the eleven key areas identified in federal regulations. The College's notices were reviewed for ease of access for students by several delivery methods. Transactions were tested on a sample basis and other audit procedures were performed on controls in the following areas:

- **Accounts Receivable**
- **Director's Expenses**
- **Federal Financial Aid Consumer Information Activities**:

  1. Institutional and Financial Assistance Information - Federal financial assistance available and related eligibility procedures, cost of attendance, accrediting agencies and other areas.
  2. Students Right to Know Act - Completion, retention and placement rates.
  3. Jeanne Clery Act - Campus security, emergency notification/response and crime statistics.
  4. Misrepresentation - Educational programs, financial costs and employability of graduates.

Current Audit Results:

Based on observations, discussions with management, and the testwork performed in the areas listed above for the period covered, management's systems of internal controls appear adequate. Management monitors key controls on a regular basis. The audit did not reveal significant issues of noncompliance with regulations or TBR or institutional policies or significant deficiencies in operations.

Tennessee College of Applied Technology - Jacksboro
Focused Operational Review
Executive Summary

College Director: Ms. Debbie Petree	**Internal Auditor:** Helen Vose, CIA, CFE
Report Date: July 6, 2015	**Audit Period:** Fiscal Year Ending June 30, 2014

Purpose and Scope:
To assess the adequacy of management's system of internal controls for specific areas identified as higher risk during the past operational reviews of all Colleges of Applied Technology and requests by management. Schools that are recipients of Federal Student Aid are required to notify students of various consumer information. The regulations may specify how the information is disclosed or allow the school to decide. Consumer information was reviewed in four of the eleven key areas identified in federal regulations. The College's notices were reviewed for ease of access for students by several delivery methods. Transactions were tested on a sample basis and other audit procedures were performed on controls in the following areas:

- **Accounts Receivable**
- **Director's Expenses**
- **Federal Financial Aid Consumer Information Activities**:
  1. Institutional and Financial Assistance Information - Federal financial assistance available and related eligibility procedures, cost of attendance, accrediting agencies and other areas.
   2. Students Right to Know Act - Completion, retention and placement rates.
   3. Jeanne Clery Act - Campus security, emergency notification/response and crime statistics.
   4. Misrepresentation - Educational programs, financial costs and employability of graduates.

Current Audit Results:
Based on observations, discussions with management, and the testwork performed in the areas listed above for the period covered, management's systems of internal controls appear adequate. Management monitors key controls on a regular basis. The audit did not reveal significant issues of noncompliance with regulations or TBR or institutional policies or significant deficiencies in operations.

Tennessee College of Applied Technology - Jackson
Focused Operational Review
Executive Summary

College Director: Mr. Jeff Sisk	**Internal Auditor:** Helen Vose, CIA, CFE
Report Date: June 11, 2015	**Audit Period:** Fiscal Year Ending June 30, 2014

Purpose and Scope:
To assess the adequacy of management's system of internal controls for specific areas identified as higher risk during the past operational reviews of all Colleges of Applied Technology and requests by management. Schools that are recipients of Federal Student Aid are required to notify students of various consumer information. The regulations may specify how the information is disclosed or allow the school to decide. Consumer information was reviewed in four of the eleven key areas identified in federal regulations. The College's notices were reviewed for ease of access for students by several delivery methods. Transactions were tested on a sample basis and other audit procedures were performed on controls in the following areas:

- **Accounts Receivable**
- **Director's Expenses**
- **Federal Financial Aid Consumer Information Activities**:
  1. Institutional and Financial Assistance Information - Federal financial assistance available and related eligibility procedures, cost of attendance, accrediting agencies and other areas.
  2. Students Right to Know Act - Completion, retention and placement rates.
  3. Jeanne Clery Act - Campus security, emergency notification/response and crime statistics.
  4. Misrepresentation - Educational programs, financial costs and employability of graduates.

Current Audit Results:
Based on observations, discussions with management, and the testwork performed in the areas listed above for the period covered, management's systems of internal controls appear adequate. Management monitors key controls on a regular basis. The audit did not reveal significant issues of noncompliance with regulations or TBR or institutional policies or significant deficiencies in operations.

Tennessee College of Applied Technology - McMinnville
Focused Operational Review
Executive Summary

College Director: Dr. Warren Laux	**Internal Auditor:** Helen Vose, CIA, CFE
Report Date: August 7, 2015	**Audit Period:** Fiscal Year Ending June 30, 2014

Purpose and Scope:
To assess the adequacy of management's system of internal controls for specific areas identified as higher risk during the past operational reviews of all Colleges of Applied Technology and requests by management. Schools that are recipients of Federal Student Aid are required to notify students of various consumer information. The regulations may specify how the information is disclosed or allow the school to decide. Consumer information was reviewed in four of the eleven key areas identified in federal regulations. The College's notices were reviewed for ease of access for students by several delivery methods. Transactions were tested on a sample basis and other audit procedures were performed on controls in the following areas:

- **Accounts Receivable**
- **Director's Expenses**
- **Federal Financial Aid Consumer Information Activities**:
  5. Institutional and Financial Assistance Information - Federal financial assistance available and related eligibility procedures, cost of attendance, accrediting agencies and other areas.
  6. Students Right to Know Act - Completion, retention and placement rates.
  7. Jeanne Clery Act - Campus security, emergency notification/response and crime statistics.
  8. Misrepresentation - Educational programs, financial costs and employability of graduates.

Current Audit Results:
Based on observations, discussions with management, and the testwork performed in the areas listed above for the period covered, management's systems of internal controls appear adequate. Management monitors key controls on a regular basis. The audit did not reveal significant issues of noncompliance with regulations or TBR or institutional policies or significant deficiencies in operations.

Tennessee College of Applied Technology - Murfreesboro
Focused Operational Review
Executive Summary

College Director: Dr. Lynn Kreider	**Internal Auditor:** Helen Vose, CIA, CFE
Report Date: June 11, 2015	**Audit Period:** Fiscal Year Ending June 30, 2014

Purpose and Scope:
To assess the adequacy of management's system of internal controls for specific areas identified as higher risk during the past operational reviews of all Colleges of Applied Technology and requests by management. Schools that are recipients of Federal Student Aid are required to notify students of various consumer information. The regulations may specify how the information is disclosed or allow the school to decide. Consumer information was reviewed in four of the eleven key areas identified in federal regulations. The College's notices were reviewed for ease of access for students by several delivery methods. Transactions were tested on a sample basis and other audit procedures were performed on controls in the following areas:

- **Accounts Receivable**
- **Director's Expenses**
- **Federal Financial Aid Consumer Information Activities**:
  1. Institutional and Financial Assistance Information - Federal financial assistance available and related eligibility procedures, cost of attendance, accrediting agencies and other areas.
  2. Students Right to Know Act - Completion, retention and placement rates.
  3. Jeanne Clery Act - Campus security, emergency notification/response and crime statistics.
  4. Misrepresentation - Educational programs, financial costs and employability of graduates.

Current Audit Results:
Based on observations, discussions with management, and the testwork performed in the areas listed above for the period covered, management's systems of internal controls appear adequate. Management monitors key controls on a regular basis. The audit did not reveal significant issues of noncompliance with regulations or TBR or institutional policies or significant deficiencies in operations.

Tennessee College of Applied Technology - Pulaski
Focused Operational Review
Executive Summary

College Director: Mr. Tony Creecy	Internal Auditor: Helen Vose, CIA, CFE
Report Date: August 7, 2015	Audit Period: Fiscal Year Ending June 30, 2014

Purpose and Scope:

To assess the adequacy of management's system of internal controls for specific areas identified as higher risk during the past operational reviews of all Colleges of Applied Technology and requests by management. Schools that are recipients of Federal Student Aid are required to notify students of various consumer information. The regulations may specify how the information is disclosed or allow the school to decide. Consumer information was reviewed in four of the eleven key areas identified in federal regulations. The College's notices were reviewed for ease of access for students by several delivery methods. Transactions were tested on a sample basis and other audit procedures were performed on controls in the following areas:

- **Accounts Receivable**
- **Director's Expenses**
- **Federal Financial Aid Consumer Information Activities**:
  9. Institutional and Financial Assistance Information - Federal financial assistance available and related eligibility procedures, cost of attendance, accrediting agencies and other areas.
  10. Students Right to Know Act - Completion, retention and placement rates.
  11. Jeanne Clery Act - Campus security, emergency notification/response and crime statistics.
  12. Misrepresentation - Educational programs, financial costs and employability of graduates.

Current Audit Results:
Based on observations, discussions with management, and the testwork performed in the areas listed above for the period covered, management's systems of internal controls appear adequate. Management monitors key controls on a regular basis. The audit did not reveal significant issues of noncompliance with regulations or TBR or institutional policies or significant deficiencies in operations.

Tennessee College of Applied Technology - Whiteville
Focused Operational Review
Executive Summary

College Director: Ms. Carolyn Beverly	Internal Auditor: Helen Vose, CIA, CFE
Report Date: June 25, 2015	Audit Period: Fiscal Year Ending June 30, 2014

Purpose and Scope:
To assess the adequacy of management's system of internal controls for specific areas identified as higher risk during the past operational reviews of all Colleges of Applied Technology and requests by management. Schools that are recipients of Federal Student Aid are required to notify students of various consumer information. The regulations may specify how the information is disclosed or allow the school to decide. Consumer information was reviewed in four of the eleven key areas identified in federal regulations. The College's notices were reviewed for ease of access for students by several delivery methods. Transactions were tested on a sample basis and other audit procedures were performed on controls in the following areas:

- **Accounts Receivable**
- **Director's Expenses**
- **Federal Financial Aid Consumer Information Activities**:
  1. Institutional and Financial Assistance Information - Federal financial assistance available and related eligibility procedures, cost of attendance, accrediting agencies and other areas.
  2. Students Right to Know Act - Completion, retention and placement rates.
  3. Jeanne Clery Act - Campus security, emergency notification/response and crime statistics.
  4. Misrepresentation - Educational programs, financial costs and employability of graduates.

Current Audit Results:
Based on observations, discussions with management, and the testwork performed in the areas listed above for the period covered, management's systems of internal controls appear adequate. Management monitors key controls on a regular basis. The audit did not reveal significant issues of noncompliance with regulations or TBR or institutional policies or significant deficiencies in operations.

Tennessee Board of Regents
Audit Committee
August 25, 2015

Information Technology Audits
For Informational Purposes

University of Memphis
NACHA - WEB Transactions Data Security Audit
May 29, 2015
Executive Summary

Title of Key Staff Person: Bursar and Associate Bursar, ITS personnel	**Auditors:** Sr. Technology and Network Security Auditor

Background:

This audit is required due to the contract the University of Memphis (UOM) has with First Tennessee Bank.

The National Automated Clearing House Association (NACHA) is a not-for-profit organization begun in 1974 to help administer and manage the Automated Clearing House (ACH) network, which is the backbone for the electronic movement of money and information used in the interbank clearing of electronic payments. *NACHA Operating Rules* provide the legal foundation for the use of the ACH payment system.

Transactions entered into the ACH system are coded using defined standard entry class (SEC) codes. The WEB SEC code is used for recurring or single entry debit transactions based on authorization from the Receiver to the Originator via the internet or mobile device – excluding oral authorization through these channels. NACHA rules impose specific data security requirements for all transactions that involve the electronic exchange or transmission of banking data.

NACHA Rules also require that Originators conduct or have conducted on their behalf, annual security audits to ensure that the financial information obtained from Receivers (i.e. students) is protected by security practices and procedures that include, at a minimum, adequate levels of physical security, personnel and access control, and network security.

Objective:

To determine whether UOM complies with NACHA Operating Rules for originating WEB entries according to the *2015 NACHA Operating Rules*.

Conclusion and Audit Results:

The audit objective was achieved. Based on our review of various University and TouchNet documents, policies, procedures, observation of practices in place, and discussions with personnel in the Bursar's Office and Information Technology Services (ITS), we conclude that the University of Memphis complies with the *NACHA Operating Rules* for processing WEB transactions. We noted no significant weaknesses or noncompliance items. We did note certain opportunities for improvement which were communicated to Management but were not included in this report.

Cleveland State Community
NACHA WEB Audit
June 2015
Executive Summary

Title of Key Staff Person: Director Of Information Technology	**Auditor:** Alvin Bishop

Background:
Cleveland State has online registration and also permits students to pay fees. Cleveland State was informed by First Tennessee Bank that since we receive ACH web payments, NACHA required that CLSCC conduct an audit of the IT department data security yearly. This audit is to help ensure that individual financial information is secure.

Objectives:
To determine that Cleveland State Community College is in compliance with NACHA Operating Rules relative to Web entries.

Audit Conclusions:
Based on the review Cleveland State Community College is in compliance with NACHA Operating Rules relative web entries.

Contact: Associate vice President for Information Technology	Auditor: IT Auditor, System-wide Internal Audit

INTRODUCTION

A comprehensive General Controls Review was performed at Columbia State Community College. The Office of Information Technology serves the community college by providing technical services and computing solutions, with five sections, 1) Administrative Computing Services, 2) Network and Security Services, 3) Systems Administration, 4) Desktop Computing Services and 5) Help Desk Services.

The Office of Information Technology consists of eleven full-time employees. The Associate Vice President for Information Technology manages the office and reports to the Vice President of Financial and Administrative Services. In overseeing Information Technology Services, the Vice President meets with the Associate Vice President at least weekly to discuss selected and future activities, which provides the governance structure for the Office of Information Technology's functions and processes.

OBJECTIVES

To determine the effectiveness and efficiency of IT functions and processes on operations; test the reliability and integrity of data and IT controls; and ensure compliance with applicable policies, procedures, laws, and regulations and to ensure adequate controls are in place to mitigate risks to acceptable levels.

SCOPE

The audit focused on the following twenty functional areas within the STCC's Information Technology Services Department, categorized under administration, operations and security. The five organizational sections within the Office of Information Technology were in the scope of this review.

I n f o r m a t i o n   T e c h n o l o g y

Administration	Operations	Security
Policies, Procedures, and Standards	*Data Integrity/User Insight*	*Network Administration*
Governance	*Hardware Management*	*Logical Access Security*
Organizational Structure	*Software Management*	*Security Awareness Program*
Strategic Planning	*Change Management*	*Physical Security of IT Assets*
Risk Assessment	*Data and System Back-ups*	*Logging and Monitoring*
Vendor Management	*Business Continuity*	*Incident Response*
Regulatory Compliance		
Addressing Prior Audit Issues		

RESULTS OF THE REVIEW

The review resulted in the following recommendations to strengthen controls and improve compliance with industry best practices and regulations and to reduce risk to acceptable levels.

RECOMMENDATIONS

Information Technology Administration

1. Develop an Information Security Program with associated policies, in coordination with a comprehensive information security program being developed by the TBR System Office. The policy should define both business and information security processes, including the designation of an Information Security Officer and development of a security awareness and training program.
2. Develop comprehensive information technology procedures for:
   - Logging and Monitoring of computer activities that defines what will be logged, how it will be reviewed, and how the results will be handled.
   - Incident Response to document major unauthorized access attempts or any information breaches to ensure they are handled according to the procedure.
3. Establish a process where all information technology policies are reviewed annually for needed modifications and changes approved before implementation.

Information Technology Operations

4. Implement a mobile device agreement for those who use their own mobile devices to access key applications and sensitive information that defines the limitations on connectivity and usage of these devices.

5. Implement controls to deter loading unauthorized software onto college workstations.
6. Develop a Business Continuity Plan that will ensure planning for and documentation of:
   - The business-side of the plan, including business recovery requirements and objectives as well as assigned roles and responsibilities of the Plan Coordinator who will maintain the plan and prepare personnel in advance of a disaster or other events requiring use of the plan.
   - Secondary and tertiary assignments for persons in the event personnel are not available at the time of a disaster.
   - A test plan and documentation of periodic testing conducted to ensure the plan's effectiveness for recovery.
7. Amend the existing Disaster Recovery Plan to reflect needed changes to information technology recovery requirements for compliance with business requirements stated in the Business Continuity Plan.

Information Technology Security
8. Implement detective controls to identify when the anti-virus software stops working, so management can better monitor the success of the anti-virus program.
9. Consider network penetration and vulnerability testing to identify possible weaknesses in the configuration of network security settings.
10. Block access to websites that are considered illegal or detrimental (gambling or pornographic sites) on computers linked to the college's network to reduce the risks of unauthorized use, as well as the risks of viruses and malicious programs associated with such sites.
11. Distribute procedural instructions to college staff regarding establishing, modifying and deleting access privileges for users, including full-time, temporary, transferred or promoted employees and contractors.
12. Ensure departmental managers and data owners review the yearly reports they receive and note any required adjustments to the access privileges of users in their areas to ensure privileges are re-justified or corrections made in a timely manner.
13. Review the lists of accounts with administrative or non-expiring network passwords and revoke that privilege from accounts that do not require it for specific business purposes.
14. Update password requirements in the Default Domain Policy of Active Directory to ensure the use of stronger password controls as defined in both the new password policy and industry best practices.
15. Obtain a listing from Facilities Management of persons with key access to secured information technology areas and ensure only persons authorized by the Office of Information Technology have such keys.
16. Secure the data backup appliance in the satellite campus server room from unauthorized access.

MANAGEMENT'S COMMENTS
Management provided positive responses to the recommendations and indicated appropriate actions would be taken to implement and improve policies and procedures, better manage the technical assets, improve documentation and testing for business continuity and improve the security procedures.

Contact: Vice President for Technology	Auditor: IT Auditor, System-wide Internal Audit

INTRODUCTION

A comprehensive General Controls Review was performed at Dyersburg State Community College. The Information Technology Department serves the community college by providing technical services and computing solutions, with three sections, 1) Computer Services, 2) Database Administration and enterprise Application Services and 3) Programming and Analysis.

The Information Technology Department consists of twelve full-time employees. The Vice President for Technology manages the office and reports to the President. In overseeing the Information Technology Department, the Vice President meets with the President more than monthly to discuss selected and future activities, which provides the governance structure for the Information Technology Department's functions and processes.

OBJECTIVES

To determine the effectiveness and efficiency of IT functions and processes on operations; test the reliability and integrity of data and IT controls; and ensure compliance with applicable policies, procedures, laws, and regulations and to ensure adequate controls are in place to mitigate risks to acceptable levels.

SCOPE

The audit focused on the following twenty functional areas within the DSCC's Information Technology Department, categorized under administration, operations and security. The three organizational sections within the Information Technology Department were in the scope of this review.

Information Technology

Administration	Operations	Security
Policies, Procedures, and Standards	Data Integrity/User Insight	Network Administration
Governance	Hardware Management	Logical Access Security
Organizational Structure	Software Management	Security Awareness Program
Strategic Planning	Change Management	Physical Security of IT Assets
Risk Assessment	Data and System Back-ups	Logging and Monitoring
Vendor Management	Business Continuity	Incident Response
Regulatory Compliance		
Addressing Prior Audit Issues		

RESULTS OF THE REVIEW

The review resulted in the following recommendations to strengthen controls and improve compliance with industry best practices and regulations and to reduce risk to acceptable levels.

RECOMMENDATIONS

Information Technology Administration

17. Develop an Information Security Program with its associated policies, in coordination with a comprehensive information security program being developed by the TBR System Office that defines both business and computing information security processes and development of a security awareness and training program.

18. Develop and implement comprehensive information technology procedures for:

- Network Administration that documents the processes performed to maintain the network in the event key personnel are not available.
- Change Management that details how hardware, network configuration, anti-virus definitions and software patch updates will be completed, in addition to implementation of Banner software updates.
- Vendor Management that describes how the Information Technology Department will monitor and manage the delivery of goods and services from key vendors.
- Logging and Monitoring of computer utilization activities that identifies what will be logged, how it will be reviewed, and how the results will be handled.

- Remote Devices that includes an agreement that itemizes expectations of users who connect their personnel laptop or cell phone device to the network.

19. Ensure all employees and other personnel with computer access privileges sign a statement affirming agreement with the acceptable usage of computing assets and the new information security program policies, when these policies are created or updated.

20. Assign the roles of an Information Security Officer and a Business Continuity Coordinator, and define the responsibilities for the roles.

21. Implement a process for Human Resources to complete background checks on personnel who would have access to sensitive information before the person is hired, in accordance with TBR Guideline P-010, *Personnel Transactions and Recommended Forms*, which recommends colleges conduct background checks on potential employees.

Information Technology Operations

22. Implement a tool to alert information technology management when an unauthorized device is attached to the network.

23. Encrypt hard drives on college-owned mobile devices to reduce risks of unauthorized access to information if the device is lost or stolen.

24. Establish a process where Help Desk tickets over 90 days old, or another established measure, are evaluated for their continuing need to remain open.

25. Complete the implementation of patch management software to better ensure software patches are properly applied.

26. Develop a Business Continuity Plan that will ensure planning for and documentation of:
    - The business-side of the plan, including business recovery requirements and objectives as well as assigned roles and responsibilities of a Plan Coordinator who will maintain the plan and prepare personnel in advance of a disaster or other event requiring use of the plan.
    - Secondary and tertiary assignments for persons in the event personnel are not available at the time of a disaster.
    - Amend the existing Disaster Recovery Plan to reflect needed changes to information technology recovery requirements for compliance with business requirements stated in the Business Continuity Plan.
    - A test plan and documentation of periodic testing conducted to ensure the plan's effectiveness for recovery.

Information Technology Security

27. Distribute procedural instructions to college staff regarding establishing, modifying and deleting access privileges for all users, including full-time, temporary, transferred or promoted employees or contractors.

28. Implement a process to periodically review each user's computer access privileges to re-justify assigned access privileges. Include in this assessment a requirement to document the need to retain active user access privileges where the user has not logged in within the last year.

29. Periodically review the lists of accounts with non-expiring passwords and revoke those from accounts that do not require it for specific business purposes.

30. Document the types of unauthorized access attempts and breaches that will be documented according to the college's Incident Response Plan.

31. Establish a process to gather, store and protect information on computer hard drives when circumstances require management retrieve and retain such information.

MANAGEMENT'S COMMENTS

Management provided positive responses to each recommendation and indicated appropriate actions would be taken to implement and improve policies and procedures, better manage the technical assets, improve documentation and testing for business continuity and improve the security procedures.

Management also responded:
The DSCC Standards & Procedures Manual and Information Technology Disaster Recovery Plan will be updated as necessary to include changes from these fifteen recommendations. The IT Risk assessment will also be updated as necessary to include appropriate controls related to these fifteen recommendations.

Contact: Executive Director and Chief Information Officer	Auditor: IT Auditor, System-wide Internal Audit

INTRODUCTION

A comprehensive General Controls Review was performed at Southwest Tennessee Community College. Information Technology Services serves the community college by providing technical services and computing solutions, with six sections, 1) Technical Operations, 2) Enterprise Application Services, 3) Academic Computer Services Support, 4) Administrative Computer Services Support, 5) Project Management and IT Resources and 6) Media Services / Digital Production.

The Office of Information Technology consists of forty-three full-time employees. The Executive Director of Information Technology Services (Executive Director) manages the office and reports to the President. In overseeing Information Technology Services, the Executive Director meets with the President at least weekly to discuss selected and future activities, which provides the governance structure for the Office of Information Technology's functions and processes.

OBJECTIVES

To determine the effectiveness and efficiency of IT functions and processes on operations; test the reliability and integrity of data and IT controls; and ensure compliance with applicable policies, procedures, laws, and regulations and to ensure adequate controls are in place to mitigate risks to acceptable levels.

SCOPE

The audit focused on the following twenty functional areas within the STCC's Information Technology Services Department, categorized under administration, operations and security. The three organizational sections within the Office of Information Technology were in the scope of this review.

Information Technology

Administration	Operations	Security
Policies, Procedures, and Standards	*Data Integrity/User Insight*	*Network Administration*
Governance	*Hardware Management*	*Logical Access Security*
Organizational Structure	*Software Management*	*Security Awareness Program*
Strategic Planning	*Change Management*	*Physical Security of IT Assets*
Risk Assessment	*Data and System Back-ups*	*Logging and Monitoring*
Vendor Management	*Business Continuity*	*Incident Response*
Regulatory Compliance		
Addressing Prior Audit Issues		

RESULTS OF THE REVIEW

The review resulted in the following recommendations to strengthen controls and improve compliance with industry best practices and regulations and to reduce risk to acceptable levels.

RECOMMENDATIONS

Information Technology Administration

1. Develop an Information Security Program with associated policies, in coordination with a comprehensive information security program being developed by the TBR System Office. The policy should define both business and information security processes, including the designation of an Information Security Officer and development of a security awareness and training program.

2. Develop, disseminate and implement comprehensive information technology procedures for:

    -   Change Management that defines how the Strata Group will assist in maintaining application systems at STCC.
    -   User Access that defines how all users, including full-time, temporary, transferred or promoted employees or contractors, will have computer access privileges assigned, modified or revoked.
    -   Vendor Management that defines how the Office of Information Technology will monitor and manage the delivery of goods and services from key vendors.
    -   Network administration that documents the processes performed to maintain the network in the event key personnel are not available.

- Incident Response that defines how the college will handle and document its responses to possible information breaches.
- Logging and Monitoring of computer activities that defines what will be logged, how it will be reviewed, and how the results will be handled.
- Remote Devices that includes an agreement that defines expectations of users who connect their personal laptop or cell phone device to the network.

3. Ensure all employees and others with computer access privileges sign a statement affirming agreement with the acceptable usage of computing assets and the new information security program policies, when these policies are created or updated.
4. Ensure documentation is available to support the delivery of goods and services by key IT vendors in a manner that does not compromise sensitive information at STCC.

Information Technology Operations

5. Remove the capability that users have as an administrator on their assigned machines to reduce risks of unauthorized system configuration changes and software implementations.
6. Establish a process where Help Desk tickets over 90 days old, or another established measure, are evaluated for their continuing need to remain open.
7. Complete the implementation of the device for disk to disk backup of data to ensure a more effective recovery.
8. Document the incidents where business data is recovered to ensure there is documentation regarding the ability to recover data from backed up media.
    - Develop a Business Continuity Plan that will ensure planning for and documentation of:
    - The business side of the plan, including business recovery requirements and objectives as well as the assigned roles and responsibilities of the Plan Coordinator who will maintain the plan and prepare personnel in advance of a disaster or other event requiring use of the plan.
    - Possible secondary and tertiary assignments for persons in the event personnel are not available at the time of a disaster.
    - A test plan and documentation of periodic testing conducted to ensure the plan's effectiveness for recovery.
9. Amend the existing Disaster Recovery Plan to reflect needed changes to information technology recovery requirements for compliance with business requirements stated in the Business Continuity Plan.

Information Technology Security

10. Block access to selected websites that do not render themselves to educational purposes to reduce the risks of unauthorized use and risks of viruses and malicious programs.
11. Implement a process to periodically review each user's computer access privileges to re-justify assigned access privileges. Include in this assessment a requirement to document the need to retain active user access privileges where the user has not logged in within the last year.
12. Periodically review the lists of accounts with administrator privileges or non-expiring passwords and revoke that privilege from accounts that do not require it for specific business purposes.
13. Update password requirements in the Default Domain Policy of Active Directory to ensure the use of stronger password controls as defined in both the new password policy and industry best practices.
14. Re-implement the criteria in Banner that manages the complexity and expiration of Banner passwords.
15. Establish a process to gather, store and protect information on computer hard drives when circumstances require management retrieve and retain such information.
16. Document major unauthorized access attempts or any information breaches to ensure they are handled according to requirements set in the STCC Incident Response Procedure.

MANAGEMENT'S COMMENTS

Management provided positive responses to the recommendations and indicated appropriate actions would be taken to implement and improve policies and procedures, better manage the technical assets, improve documentation and testing for business continuity and improve the security procedures.

Tennessee Board of Regents
Audit Committee
August 25, 2015

Internal Audit Investigation Reports
For Informational Purposes

Title of Key Staff Person: University Attorney	**Auditor:** Jacqueline Struckmeyer

Background:
Internal Audit received an email that alleged an employee was conducting a personal business out of the employee's university office on university time and using university resources, specifically the office copy machine. Additionally, the email alleged that the employee assisted a former employee of the office with work for his current employer.

Objectives:
To determine whether allegations documented in the email could be substantiated.

Total Questioned Costs/Losses:	**Total Recoveries: None**

Results:
The employee did engage in outside employment but the specific allegations involving time spent during the employee's normal work schedule could not be substantiated.

Conclusion:
The allegation that outside work was being done during the employees normal work hours was unable to be confirmed. Also, the supervisor was aware of the outside employment but stated that the work was performed outside of the employees work hours. Additionally, the conflict of interest policy states that the policy applies to "significant" use of university resources. Internal Audit was unable to confirm that the use was significant given that the average copier usage had remained consistent with the average use from the previous copier contract. However, an outside employment request form was not submitted and approved as required by policy.

Recommendation:
The employee in question should complete the "Outside Employment Request Form" found on the APSU Outside Employment policy web page and submit it for approval should the employee continue to engage in the outside employment.

East Tennessee State University
Facilities – VA Campus Custodial Staff Investigation (FWA 15-04)
Executive Summary
January – December 2014

Key Staff Person: Director of Facilities Management Operations and Associate Director of Building Maintenance on the VA Campus	Auditor: Martha Stirling and Becky Lewis

Introduction

In January 2015, the Office of Internal Audit received a phone call regarding employees in Facilities on the VA Campus. The caller stated that the custodial staff on the VA campus was not allowed to complete their own timesheets. In addition, the caller said there was a possible nepotism issue between a lead worker/interim foreman (Lead Worker) and a custodian (Custodian) who were dating and living together.

Objectives

The primary objectives were to investigate the validity of the allegations received and to determine the extent of any violations of University or TBR policies.

Findings and Recommendations:

Based on a review of timesheets and discussion with personnel, it appears that timesheets were not completed by the employees. They were, however, being review and signed by the employees as well as multiple levels of management. The Associate Director of Building Maintenance on the VA campus (Associate Director) stated that some employees do not know how to complete their timesheet. He said that anyone who wishes can complete their own timesheets. According to ETSU Financial Procedures Manual (FP-15), Payroll Procedures, Section IV. Time Report Procedures "In order for an employee to be paid, an individual time report must be completed by the employee…" Management should allow employees to complete their own timesheets.

Although there is no violation of nepotism since the Lead Worker and the Custodian were not married, their relationship created a conflict of interest. According to ETSU Personnel Policies and Procedures Manual (PPP-80), Discrimination & Harassment – Complaint & Investigation Procedure, IV. <u>Consensual Relationships</u> "It is conflict of interest for a supervisor to engage in a consensual relationship with a subordinate over whom he or she has evaluative or supervisory authority." Management should resolve the conflict of interest in accordance with PPP-80 by assigning another individual to supervise and evaluate the Custodian.

Total Questioned Costs: None	Recoveries: None

Conclusion

Management concurs with the findings and recommendations. According to the Associate Director, employees will be allowed to complete their own timesheet. The Lead Worker is no longer the interim foreman. While in the process of hiring a permanent foreman for both the Lead Worker and the Custodian to report to, the Custodian was terminated for failing to report for work three consecutive days.

Responsible Department: University Advancement	**Auditor:** Becky Lewis and Martha Stirling

Introduction: An investigative review of University Advancement of East Tennessee State University (ETSU) was conducted in response to allegations contained in an anonymous letter. Allegations contained in the letter included questionable tenure, inaccurate donor recognition given to employees, unearned award recognition, inappropriate spending, and unfair doctorate programs extensions.

Objective: The primary objectives were to investigate the validity of the issues identified during the review, determine the extent of any violations of University or TBR policies and evaluate the adequacy of internal controls.

Total Questioned Cost/Losses: None	**Total Recoveries:** None

Results of the Review:

Allegation 1: It was alleged that Employee A, who has been an administrator his entire career, was granted tenure rather than earning tenure status like other faculty members.

Conclusion 1: In 1981, Employee A was appointed the rank of professor based on his degree, professional license, and experience. This appointment was approved by the ETSU president at the time. In 1990, Employee A was granted tenure by the chancellor and Tennessee Board of Regents. There was no evidence to indicate the tenure was inappropriately granted.

Allegation 2: It was alleged that three employees have been recognized for more donations than actually given to the university.

Conclusion 2: The giving records of the employees in question were reviewed. These employees were among the individuals participating in the ETSU Foundation Private Fundraising Excellence Program. This program was approved by the ETSU Foundation Executive Committee in 2001 and was intended to provide recognition for exceptional results in private fundraising when targeted goals were exceeded. There were twelve different individuals over the course of ten years who participated in this program. The individuals participating in the program were allowed to designate funds to an endowment. These endowments were setup for student scholarships. The individuals participating in this program did not receive any form of compensation or benefits; it was solely to recognize fundraising achievements.

Allegation 3: It was alleged that an employee was asked by Employee A to go to the Board of the ETSU Foundation and recommend that an award be named in Employee A's honor.

Conclusion 3: Based on the review performed, the award was named after the Employee A. However, there is no evidence to indicate this was inappropriately handled.

Allegation 4: It was alleged that Employee A was involved in inappropriate spending of foundation funds. The inappropriate spending included personal items and lunches under the premise of "donor cultivation" that were personal in nature.

Conclusion 4:   A review of all reimbursements made to Employee A was performed. Employee A has received meal reimbursements for donor cultivation without listing the names of the guests. IRS rules require the name of attendees be disclosed in order to substantiate the meal reimbursement as a business expense. Between December 2011 and June 2013, eleven meal reimbursements totaling $283.00 were paid to Employee A without disclosing the names of the guests. Based on the review performed, no other expenses were discovered that appeared inappropriate or personal in nature.

Allegation 5: It was alleged that Employee B was given additional time to complete his doctorate degree while other students are removed from the program because they were unable to complete it in the allotted time.

Conclusion 5: All students who are unable to complete the program within the matriculation limits are given the opportunity to file an extension. Employee B completed an extension which expired the semester prior to earning his degree. Graduate Studies stated that since Employee B had already registered for the read and research courses, they allowed him to continue. It was during that semester that the revalidation was completed and he was awarded a doctorate degree.

Recommendations:
- Management should develop policies and procedures on awarding "soft" credit. This policy should be approved by all necessary parties including the Foundation Board. All "soft" credit awarded should adhere to this policy.

- In order to adhere to IRS rules, documentation for business meal reimbursements should contain the names of attendees. Reimbursement should not be made until the names are provided.

- Graduate Studies should ensure all students enrolled are within the matriculation limits or have a current extension on file.

Management's Comments:
Management concurs with the recommendations made by the Audit Investigation. Based on these recommendations, the following actions will be taken:

- Management will develop policies and procedures on awarding "soft" credit. They will ensure these policies and procedures are approved by all necessary parties including the Foundation Board. Adherence to these policies and procedures will be strictly monitored and enforced.

- Management will ensure adherence to IRS rules concerning documentation for business meal reimbursements including the names of the attendees. Reimbursement will not be made until names are provided or justification is provided in support of the necessity for anonymous donor cultivation or recruitment.

- Management has discussed with Graduate Studies the need for and Graduate Studies has agreed to ensure that all students enrolled are within the matriculation limits/requirements or have appropriate and current extensions on file.

Middle Tennessee State University
Special Review of Disabled Student Services
For Fiscal Years 2012 and 2011
Executive Summary

Introduction:

A special review of Middle Tennessee State University (MTSU) Disabled Student Services began on May 11, 2012 when an anonymous letter was received describing "several examples of waste of funds, fraud." The letter provided details of the following four allegations: 1) an employee worked prior to the official hire date and was paid for time not worked, 2) a $30,000 scanner was purchased but not used, 3) bid procedures were not being followed and 4) certifications for disabilities are prepared by the director. The Director of Disabled Student Services during the review period and referred to as Director in this report had been employed since April 1985 and retired from the university in August 2013.

Objectives:

To determine if the allegations are substantiated or unsubstantiated and to make recommendations for correcting deficiencies or improving operations.

Estimated Loss: $1,281 Personal Transactions on PCard   **Total Recoveries:** $-0-

Results of the Review:
Allegation 1: Employee Worked Prior to Hire Date and Was Paid for Time Not Worked

The allegation was substantiated. An employee was allowed to work and be trained prior to the official hire date. The employee leaving the position trained the new employee. The new employee left the university before the allegation was received. The final timesheet included 60 hours of accumulated compensatory time which had been worked outside of the pay period. Even though the hours on the timesheet were not for work performed during the pay period, it appears the employee had worked the time and was due the pay.

Allegation 2: $30,000 Scanner purchased but not used

The allegation is unsubstantiated. The scanner was purchased with technology access fees (TAF) and was obtained through the TAF proposal and purchase process. Departmental employees confirmed that the scanner is used to scan textbooks into PDF and audio formats.

Allegation 3: Bid procedures not followed and Director provided bid amounts to vendor

The allegation is unsubstantiated. The Director stated that all bids are handled by Procurement Services and he has not provided any vendors with bid amounts. Procurement Services confirmed that the department had two contracts during the review period and both contracts were competitively bid.

Allegation 4: Certifications for disabilities are prepared by the Director

This allegation is unsubstantiated based on discussions with the Director and a review of a sample of student files. It appears the department is obtaining the proper medical documentation for the students.

Other Issues Identified: During the review, management discovered the secretary had submitted false work time and terminated her employment effective November 8, 2012. The business office reviewed the department's purchasing card (PCard) transactions after the secretary was terminated and it appeared personal purchases totaling $1,281 were made by the secretary.

Conclusion:
Allegation 1 was the only allegation substantiated. The Director chose not to comply with university policies pertaining to hiring, timekeeping and paying the university employee. The employees involved are no longer employed by the university. The Director retired in August 2013. For the other issues identified, management took appropriate disciplinary action by terminating the secretary and revising the PCard procedures for review and approval.

Management concurred with the conclusions of the report and has taken corrective action.

TENNESSEE TECH UNIVERSITY
Investigations 15-05 and 15-06 – Hiring of Deputy Chief Information Officer
June 1, 2015
Executive Summary

Key Staff Persons: Tennessee Tech University (TTU) Chief Information Officer (CIO)

Auditor: TTU Director of Internal Audit

Background/Allegations: On 02/06/15 and 02/13/15 respectively, State Audit logged two anonymous complaints, INT15081 and INT15082 from the State Audit Fraud, Waste and Abuse Hotline. The primary concern in both complaints was the hiring of the TTU Deputy CIO (DCIO). Both complainants indicated the DCIO was an unnecessary position which was not in any previous plan, the position was created primarily to give the CIO's friend a job, and the hiring was the result of a mock search. One complainant further alleged that the DCIO was allowed to work from home one day a week when other Information Technology Services (ITS) employees worked massive amounts of overtime and were not allowed to earn comp time for their overtime. One complainant indicated that this constituted abuse and a hostile environment.

Objective: The objective of this investigation was to determine if the hiring of the DCIO was done in accordance with TTU's normal hiring procedures, to determine if the DCIO was allowed to work from home without a telecommuting agreement, and to determine if any non-exempt employees have been asked to work any hours for which they were not compensated or were not given comp time.

Total Questioned Costs: NA   **Total Recoveries:** NA

Results: The plan to hire a DCIO was noted in the CIO's budget plans submitted for 2013-14. Over time those plans changed and evolved, and when the DCIO was actually hired, two existing positions were collapsed to fund the DCIO position. A recreation of the DICO hiring timeline showed that no steps had been skipped in the normal hiring procedure.

  The DCIO that was hired had previously worked for the CIO at another institution, and the CIO did forward an email from him prior to his hire at TTU to all the CIO's higher level staff asking if anyone knew of work for him. However, according to the CIO, the DCIO was not a personal friend of his, and they never interacted socially.

  Prior to the DCIO's moving to this area, the CIO did allow the DCIO to work 37.5 hours early in the week and leave at noon on Friday to return to his out-of-state home for the weekends. According to the DCIO, that practice stopped around October 2014. According to TBR policy 5:01:01:20, alternate work arrangements (such as this) should be submitted to Human Resources with all appropriate approvals having been received. However, this was not done.

  A poll of every non-exempt employee in ITS indicated that none of them had worked overtime without receiving compensation or compensatory time. Since exempt employees are not allowed to receive overtime pay or compensatory time, they were not polled.

Conclusions: The hiring of the DCIO appears to have been done in accordance with TTU's normal hiring procedures. The DCIO was not allowed to work from home, but the CIO did fail to complete the proper paperwork to notify Human Resources of the DCIO's temporary flex time arrangement. There was no problem noted with the payment of overtime wages or compensatory time to non-exempt employees.

This report is intended solely for the internal use of Tennessee Tech University and the Tennessee Board of Regents. It is not intended to be and should not be used for any other purpose. The distribution of the report to external parties must be approved by the Office of Internal Audit and handled in accordance with institutional policies.

UNIVERSITY OF MEMPHIS
CASE RESOLUTION REPORT
Executive Summary
July 1, 2015

Department:_Business and Finance_____   **Unit:**_ Procurement (Pcard Program)

1.   Date of the loss:_____May 13, 2015 (chargeback date from Regions Bank)—
Original charge was October 12, 2014 at a Walmart in Michigan)_____

2.   Reported by:_____Pcard Holder_____

3.   Investigation unit: _Internal Audit and Police Services_____

4.   Description of the loss:_____pcard fraud_____ _____
_Bank charged back to the University per terms of pcard contract terms____

5.   Total amount of loss: _$3,600__   Total amount of recovery: ___None____

6.   Was employee misconduct discovered? Yes_____   No__ X_____

7.   Name(s) of employee(s) involved:_____Elizabeth Buck (pcard holder)-Office
Associate-University College_____

8.   Action taken:_Fraud was reported to bank when charges occurred and was
investigated by the bank.___ Procurement communicated with the bank and Police Services
contacted law enforcement in the town in Michigan where the fraud occurred at a local Walmart.
The bank or local law enforcement was unable to provide any information to change the outcome
of the chargeback to the University. ____

9.   Methodology used to determine loss:__Per notice from bank (Regions Bank Pcard
vendor)_____

10.   Internal control weaknesses found:___No_____
__Procurement is evaluating potential changes with pcard program to mitigate risk with future
losses____

11.   Actions taken to resolve weaknesses:_ _____N/A_____

Byron Morgan

Chief Audit Executive

CHATTANOOGA STATE COMMUNITY COLLEGE
INTERNAL AUDIT
Executive Summary

CASE RESOLUTION REPORT   June 29, 2015

2015-01: Class Attendance Policy

Date of Incident:	1/28/15
Reported by:	Anonymous caller
Investigation conducted by:	Kimberly Clingan, Director Internal Audit

Description of Incident: Two complaints were received by TBR concerning the Attendance Policy at Chattanooga State Community College (ChSCC). The complaint alleged that ChSCC's Stopped Attending Policy commits Financial Aid Fraud.

Total Amount of Loss:	None
Was employee dishonesty discovered?	No

Action Taken: Internal Audit performed the following procedures during the completion of this investigation:
- Interviewed Provost, Deans, Financial Aid Director, and some Faculty members
- Reviewed Financial Aid Policies for Withdrawal/Repayment and Satisfactory Academic Progress
- Examined Student Handbook for Attendance Policy and Progress Standards
- Reviewed Stop Attending policy and Faculty guidance for Banner inputs

Conclusion: Financial Aid Standards have not been violated by ChSCC as Satisfactory Academic Progress is the standard by which many Financial Programs gauge continuing eligibility for aid. Class Attendance is secondary to Academic Progress and is a factor in determining Financial Aid Repayment.

ChSCC's Attendance Policy allows the instructor to set attendance requirements for a class. Students are informed of the Attendance Policy and Financial Aid requirements through the Student Handbook and the College website.

Management provides additional guidance to Faculty concerning student attendance with the Stopped Attending Policy. However, interviews revealed inconsistencies concerning distribution of class attendance requirements to Students, understanding of the existence and/or application of the Stopped Attending Policies, and timeliness of posting student status to Banner.

Internal Control Weaknesses Found: Based on audit procedures, the following weaknesses were noted:
- Attendance policies are not consistently applied by all Faculty and/or between campus and on-line classes excluding unique programs with specified accreditation standards. Inconsistencies in the application of the policy create an increased risk that an above average amount of Students will attempt to circumvent the standards for Satisfactory Academic Progress/Completion and financial aid repayments.
- Some Faculty were unaware of ChSCC's Stop Attending policy, which demonstrates a lack of communication been Faculty and Management (Provost/Deans).

Management Action:
The Provost will discuss the attendance policy with the Dean's Council during the July 2015 meeting. The Provost will also present attendance guidance including student notification at the beginning of term and the Stop Attending policy to the Faculty during the August 2015 Convocation. The Deans will reinforce the guidance during Divisional meetings after Convocation.

Kimberly Clingan
Director Internal Audit

CASE RESOLUTION REPORT   **June 30, 2015**

2015-01: In-State Residency

Date of Incident:	6/11/15
Reported by:	Anonymous caller
Investigation conducted by:	Kimberly Clingan, Director Internal Audit

Description of Incident: The son of the Welcome Center Director was admitted to Chattanooga State Community College (ChSCC) as an in-state student with false documentation.

Total Amount of Loss: None

Was employee dishonesty discovered? No

Action Taken: Internal Audit performed the following procedures during the completion of this investigation:

- Interviewed Welcome Center Director (Employee involved), Admissions and Enrollment Services Center Director, Vice-President - Student Affairs and Assistant Vice-President - Student Affairs.
- Reviewed Residency Classification information per ChSCC website, TBR policy 3:05:01:00 - Regulations for Classifying Students In-State and Out-of-State for Paying College or University Fees and Tuition for Admission Purposes, and TBR policy 5:01:04:10 - Classification of Benefits for Fees and Tuition.
- Examined the Student's Application for In-State Tuition and other admission documents for the student using Banner and BDMS (Banner Document Management System) for completion and appropriate management approvals.
- Reviewed Student and the Father's Facebook page to determine that the relationship was not created primarily for the purpose of conferring in-state status.

Conclusion: The Welcome Center Director filed an Application for In-State Tuition for her son with a document that was no longer approved for supporting documents for residency and had it processed by another employee in the Welcome Center that reported to her. When the inappropriate document was noticed the application was taken to Assistant Vice-President of Student Affairs, who addressed the need for the appropriate documents with the Welcome Center Director. Once the appropriate documents were received, The Assistant Vice-President of Student Affairs approved the document for processing. However, there is no written policy or procedure to ensure consistency of documents processed for employees.

Additional review of the Application for In-State Tuition, noted that the Student and the Father did not have the same last names and raised the question of purpose of the relationship. Since TBR policy 3:05:01:00, does not require additional documents to prove the parental/custodial relationship but states that a guardianship or custodianship should not be created primarily for the purpose of conferring in-state status,

the Facebook page of the Student and the Father were examined. This review determined that a father/son bond exists and was not created for the sole purpose of in-state student status.

Additional review of the classification policies, determined that the Son's Application for In-State Tuition was unnecessary as classification policies allows for an employee as well as a Walker County Georgia resident to be automatically eligible for in-state tuition at ChSCC. This fact should have been known by an employee with a position that has extensive knowledge of ChSCC admission and tuition classification requirements. The employee's response to this question was that the application was filed as the student has an acceptable relationship to be classified for in-state tuition and they wished to establish this relationship for in-state tuition at ChSCC as well as for any other State school that the student was to attend in the future.

Based on the information gathered, the Welcome Center Director did not violate current student classification polices. However, due to the lack of a policy or procedure for processing employee related documents, the employee did create a situation of undue influence when a subordinate was asked to process the employees' son's application. Also, the filing of an unnecessary form even though it did not violate policy for the purpose of developing an in-state relationship for the future does give the appearance of a possible violation of the self-dealing clauses in the Conflict of Interest Policy.

Internal Control Weaknesses Found: Based on audit procedures, the following weakness was noted:
- Student Affairs does not have a written procedure for the processing and management approval of documents for an employee's children or close relatives to ensure consistency and limit the possibility of the appearance of conflicts of interest concerns.

Management Action:
The Student Affairs Division will develop a written procedure for the processing of employee children or close relatives which will include the process for obtaining appropriate management approval by September 30, 2015.

Kimberly Clingan

Kimberly Clingan
Director Internal Audit

Status Report on Internal Audit Recommendations

Internal audit reports may include recommendations to management for corrective action. Recommendations are scheduled for follow-up review by Internal Audit based on the time needed to implement corrective actions, as estimated by management. The following Recommendation Logs are included in these materials. Each recommendation will include a status of management's action or will be blank; if no status is indicated, the follow-up review has not yet been performed.

University Internal Audits

Community College Internal Audits

SWIA Information Systems Internal Audits

Tennessee Colleges of Applied Technology Internal Audits

Tennessee Board of Regents System Office Internal Audits

Tennessee Foreign Language Institute Internal Audit

Status Legend for Management's Action	
Actions Completed	Management has implemented the actions stated in their response to this recommendation. Issue closed.
In Progress	Management has implemented some of the actions stated in their response to this recommendation. Additional review scheduled.
No Progress	Management has not implemented the actions stated in their response to this recommendation. Additional review scheduled.

Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - Universities **(Reports sorted by Insitituion, Date of Report)**				
ETSU	Thursday, June 26, 2014	ETSU Banner Security Audit 1 of 1 Data owners and supervisors should audit and re certify Banner access annually.	OIT Associate Vice President/CIO and Director of Information Systems	Sunday, March 15, 2015		In Progress
ETSU	Wednesday, November 05, 2014	ETSU Bluegrass, Old Time, and Country Music Investigation 1 of 1 Policies and procedures over performances involving outside and student bands (including off campus travel) need to be developed.	Chair of Appalachia Studies	Sunday, February 01, 2015	Friday, June 19, 2015	Action Completed
ETSU	Monday, November 24, 2014	ETSU Office of Intercollegiate Athletics Timekeeping Investigation 1 of 1 Controls and practices over timekeeping functions need improvement. Multiple issues were discovered during the audit.	Athletic Director	Thursday, April 30, 2015		In Progress
ETSU	Friday, March 27, 2015	ETSU PCI Compliance Readiness Audit 1 of 4 The current SNMP protocol being used is considered insecure.	Chief Information Officer	Saturday, August 01, 2015		In Progress
ETSU	Friday, March 27, 2015	ETSU PCI Compliance Readiness Audit 2 of 4 Aramark Food Services' computer systems do not adhere to PCI requirements in several areas.	Chief Informations Officer	Tuesday, September 01, 2015		In Progress
ETSU	Friday, March 27, 2015	ETSU PCI Compliance Readiness Audit 3 of 4 Penetration testing methodology needs to be developed and implemented.	Chief Information Officer	Saturday, August 01, 2015		In Progress
ETSU	Friday, March 27, 2015	ETSU PCI Compliance Readiness Audit 4 of 4 New PCI DSS 3.0 Self-Assessment Questionnaire needs to be completed	Chief Information Officer	Tuesday, September 01, 2015		In Progress
ETSU	Monday, May 11, 2015	ETSU Department of Art and Design Procurement and Study Abroad Investigation 1 of 1 Controls over funds used for faculty-led study abroad programs need to be improved.	Vice President for Finance and Administration	Thursday, December 31, 2015		In Progress
ETSU	Thursday, May 21, 2015	ETSU Facilities VA Campus Custodial Staff Investigation 1 of 1 Employees should be allowed to complete their own timesheets.	Director, Facilities Mgmt Operations	Friday, July 31, 2015		In Progress
ETSU	Wednesday, June 17, 2015	ETSU Student Health Billing Practices 1 of 3 Student health billing procedures need improvement.	Associate Dean, Office of Practice	Tuesday, January 05, 2016		In Progress
ETSU	Wednesday, June 17, 2015	ETSU Student Health Billing 2 of 3 Cash receipting procedures need improvement.	Associate Dean, Office of Practice	Tuesday, January 05, 2016		In Progress

Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - Universities **(Reports sorted by Insitituion, Date of Report)**				
ETSU	Friday, June 26, 2015	ETSU University Advancement 1 of 3 Policies and procedures regarding "soft" credit need to be established.	Associate Vice President, University Advancement	Thursday, December 31, 2015		In Progress
ETSU	Wednesday, June 17, 2015	ETSU Student Health Billing Practices 3 of 3 Account adjustment procedures need improvement	Associate Dean, Office of Practice	Tuesday, January 05, 2016		In Progress
ETSU	Friday, June 26, 2015	ETSU University Advancement 2 of 3 Documentation for business meal reimbursements should contain the attendees names based on IRS regulations.	Vice President for University Advancement	Thursday, December 31, 2015		In Progress
ETSU	Friday, June 26, 2015	ETSU University Advancement 3 of 3 Graduate Studies should ensure all students enrolled are within matriculation limits or have appropriate and current extensions on file.	Dean, Graduate Studies	Thursday, December 31, 2015		In Progress
MTSU	Wednesday, March 12, 2014	Review of Athletic Gifts in Kind FY 2013 Finding 1 of 2: Improved Compliance is Needed with the Sports Marketing Contract	Athletic Department	Tuesday, March 31, 2015		No Progress
MTSU	Wednesday, March 12, 2014	Review of Athletic Gifts in Kind FY 2013 Finding 2 of 2: Monitoring of Trade Revenue Should be Improved	Athletic Department	Tuesday, March 31, 2015		No Progress
TTU	Thursday, June 26, 2014	TTU-IAR-Laboratory Safety-06262014 Finding - Lab inspections, the only way to verify training and the safety of labs, should be completed on a more frequent basis than is currently being done.	Environmental Health and Safety Coordinaore	Friday, July 31, 2015		No Progress
TTU	Thursday, June 26, 2014	TTU-IAR-Laboratory Safety-06262014 Finding - EHS should implement current IFC fire drill requirements and both EHS and Residential Life's websites should be updated to reflect the current requirements. The dates of all fire drills should be documented, and compliance with the requirements should be monitored.	Director of Safety & Environmental Services, Director of Residential Life, Director of Child Development Lab.	Friday, July 31, 2015		No Progress
TTU	Thursday, June 26, 2014	TTU-IAR-Laboratory Safety-06262014 Finding - All safety concerns and resolutions should be documented by the EHS Coordinator.	Enviromental Health and Safety Coordinator	Friday, July 31, 2015		No Progress
TTU	Wednesday, July 03, 2013	TTU-IAR-Personnel-11152013 Finding - Several sections of TTU Human Resources written policies and procedures should be updated.	Interim Director of Human Resources	Sunday, January 31, 2016		In Progress
TTU	Wednesday, July 03, 2013	TTU-IAR-Personnel-11152013 Finding - Human Resources should document the internal policies and procedures for telecommuting and inform the campus of the requirements.	Interim Director of Human Resources	Sunday, January 31, 2016		In Progress

Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - Universities **(Reports sorted by Insitituion, Date of Report)**				
UOM	Thursday, May 14, 2015	Study Abroad Compliance Audit Recommended improvements in selected compliance and operational areas	Director, International Programs & Study Abroad	Monday, February 29, 2016		No Progress
UOM	Monday, January 12, 2015	Internal Controls Risk Assessment Footprint Research Recommendations regarding EHS area-Training and inspections.	Director, Enviromental Heal;th and Safety	Sunday, January 31, 2016		No Progress

Institution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - Community Colleges **(Reports sorted by Institution, Date of Report)**				
ChSCC	Tuesday, April 01, 2014	NACHA 2 of 2: ITS policy drafts 08:21:00 - Information Technology Services IT Service Desk Support and 08:25:00 - Information Technology Projects should be finalized and approved.	Director Systems Development and Operations	Tuesday, September 30, 2014		In Progress
ChSCC	Thursday, July 31, 2014	DRP 1 of 7: All non-Banner applications, including applications and servers housed in various ChSCC Departments, should be reviewed to determine if any are "mission critical" and should be include in the DRP.	AVP ITS	Tuesday, September 30, 2014		In Progress
ChSCC	Thursday, July 31, 2014	DRP 2 of 7: As a departmental joint project, evaluate the effect of a disaster on departmental servers and complete departmental DRP's.	AVP ITS	Tuesday, March 31, 2015		In Progress
ChSCC	Thursday, July 31, 2014	DRP 3 of 7: Complete the service level agreements with ChSCC departments for each application and/or the department as a whole.	AVP ITS	Tuesday, March 31, 2015		In Progress
ChSCC	Thursday, July 31, 2014	DRP 4 of 7: An equipment inventory should be included in each Department's DRP.	AVP ITS	Tuesday, September 30, 2014		In Progress
ChSCC	Wednesday, May 27, 2015	Bank Reconciliation 3 of 4: Bank contracts should be reviewed on an annual basis to ensure wire personnel authorizations are up-to-date and ChSCC is in compliance with all contracts.	Business Office Management	Thursday, December 31, 2015		No Progress
ChSCC	Wednesday, May 27, 2015	Bank Reconciliation 4 of 4: The Business and Finance Division should follow-up with all banks to ensure all authorization signatures are up-to-date.	Business Office Management	Thursday, August 13, 2015		No Progress
ChSCC	Monday, June 29, 2015	Investigation 2015-01: Class Attendance Policy 1 of 1: The Provost will discuss the attendance policy with the Dean's Council during the July 2015 meeting . The Provost will also present attendance guidance including student notification at the beginning of term and the Stop Attending policy to the Faculty during the August Convocation. The Deans will reinforce the guidance during the Divisional meetings after Convocation.	Provost and Deans	Wednesday, September 30, 2015		No Progress

Institution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - Community Colleges **(Reports sorted by Institution, Date of Report)**				
ChSCC	Tuesday, June 30, 2015	Investigation 2015-04: In-State Residency 1 of 1: The Student Affairs Division will develop a written procedure for the processing of employee children or close relatives which will include the process for obtaining appropriate management approval by September 30, 2015.	VP Student Affairs	Wednesday, September 30, 2015		No Progress
ChSCC	Thursday, February 06, 2014	Equipment 2 of 5: Bar code technology should be considered for sensitive equipment to achieve greater inventory management efficiencies.	Chief Information Officer	Wednesday, December 31, 2014		In Progress
ChSCC	Thursday, February 06, 2014	Equipment 4 of 5: Written loan agreements with the artist(s) or owner(s) for the Art Work on Loan to the College should be executed.	Joe Helseth	Wednesday, December 31, 2014		In Progress
ChSCC	Thursday, February 06, 2014	Equipment 5 of 5: A listing of Art Work on Loan should be submitted to the State of Tennessee's Department of Risk Management to properly insure these items.	Joe Helseth/ Business Office Management	Wednesday, December 31, 2014		No Progress
CISCC	Monday, April 13, 2015	CISCC- Title IV-1. The Net Price Calculator link is not up to date	VP of Student Services	Thursday, April 30, 2015		In Progress
CISCC	Monday, April 13, 2015	CISCC TitleIV-2. Prospective student athletes that are offered athletically related aid are not provided the completion, graduation and transfer-out rates as required by Title IV.	VP of Student Services	Saturday, October 31, 2015		In Progress
DSCC	Monday, May 11, 2015	DSCC - CCTA Efficiencies and Other Outcomes, Observation 1 of 1: Institutional management should consult with THEC to evaluate the effect of certain inaccuracies previously reported resulting from inaccurate semesters used to calculate the Job Placement data, as well as an over reporting due to the subsequent correction of the Job Placement calculation. Management should also ensure that all records relating to the details of the Job Placement numbers reported to THEC will be better maintained in the future.	Vice President of Institutional Advancement or Information Research Specialist	Friday, August 14, 2015		In Progress
JSCC	Tuesday, April 02, 2013	Data Security: Observation 1 of 2 The data security policy may need to be reviewed and updated to provide more complete guidance regarding the collection, access, transmission, storage, and disposal of personally identifiable information.	Dana Nails, Director of Information Technology	Thursday, October 31, 2013	Friday, September 05, 2014	In Progress

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JSCC	Tuesday, April 02, 2013	Data Security Observation 2 of 2: Training should be provided for employees to ensure compliance with the data security policy and other regulations including Family Educational Rights and Privacy Acts, Federal Trade Commission Red Flags Rule, and Gramm-Leach-Bliley Act. Representatives from each area of data security responsibility should be included in the development of training.	Dana Nails, Director of Information Technology	Thursday, October 31, 2013	Friday, September 05, 2014	In Progress
JSCC	Friday, October 24, 2014	Emergency Preparedness Plan Audit - Observation 1 of 2: Employee Training The JSCC Emergency Management Plan requires training in emergency procedures and for the proper use of safety equipment. Several safety drills have been conducted and safety equipment is located campus wide in designated locations. However, further training is needed in the proper use of the chair lifts, AEDs, and fire extinguishers. Training should also include first aid procedures and building evacuation procedures.	Darron Billings, Director of Environmental Health and Safety/Chief of Police	Friday, May 08, 2015		In Progress
JSCC	Friday, October 24, 2014	Emergency Preparedness Plan Audit - Observation 2 of 2: Annual Review and Update According to TBR Guideline B-100 section III.17, the emergency preparedness plan should be reviewed and updated on an annual basis. The last revision was July 01, 2011.	Darron Billings, Director of Environmental Health and Safety/Chief of Police	Friday, October 24, 2014		In Progress
JSCC	Friday, February 21, 2014	Progression and Dual Enrollment: Institutional management and TBR System Office management should consult with THEC to determine the significance of the risk of inaccurate progression outcomes resulting from certain timing differences and whether the risk warrants mitigating actions.	Robin Marek, Director of Admissions and Records	Thursday, December 31, 2015		No Progress
JSCC	Wednesday, July 23, 2014	Completion Outcomes 1 of 2: Management should continue to keep certificate and degree categories as up to date and as accurate as possible.	Robin Marek, Director of Admissions and Records	Thursday, July 31, 2014		In Progress
JSCC	Wednesday, July 23, 2014	Completion Outcomes 2 of 2: Institutional procedures should include the review of obligations owed to the institution and holding certificates and diplomas until the obligation has been satisfied.	Robin Marek, Director of Admissions and Records	Friday, May 09, 2014		In Progress
NeSCC	Thursday, January 02, 2014	Data Security FY 2013 Information Technology Resources policy is not being followed as stated in Policy 1:08:00:00.	Director of Information Technology	Tuesday, September 30, 2014		In Progress

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NeSCC	Friday, July 25, 2014	Complete College of Tennessee Act: Completion Outcomes Management to research documentation deficiencies identified during the review and identify/correct the deficiencies and their causes so that Banner Document Management System (BDMS) can be better relied upon to house complete graduation source documentation	Registrar	Friday, May 01, 2015		In Progress
NeSCC	Thursday, August 28, 2014	Theatre Services Procedures in place to handle and enforce facility usage applications for events scheduled through the Theatre Department need to be improved.	Theatre Manager	Monday, June 01, 2015		In Progress
PSCC	Friday, May 08, 2015	Beginning with the 2015-2020 funding cycle the college should report placement data in accordance with the Tennessee Higher Education Commissions interpretation of their guidance on job placement data.	Director of Placement Director of Institutional Effectiveness	Thursday, June 30, 2016		No Progress
RSCC	Wednesday, September 24, 2014	Audit of Grants and Sponsored Projects, July 1, 2010 through June 30, 2013 Finding 1 of 4 (part 1): The College did not maintain documentation to show that directly charging certain F & A charges, namely clerical type salaries and administrative type expenses, to grants met the requirements of OMB A-21. The College's project files did not contain documentation to show that the identified grants met the definition of "major projects". Also, the College did not provide evidence that the nature of the work performed on the projects, or any other circumstances, justified any unusual degree of administrative and clerical support to accomplish project objectives.	Chief Business Officer	Tuesday, March 24, 2014		In Progress
RSCC	Wednesday, September 24, 2015	Audit of Grants and Sponsored Projects, July 1, 2010 through June 30, 2013 Finding 1 of 4 (part 2): Indirect cost expenses were overstated in the amount of $62,787.33. This occurred because the items noted in Section G.2 of the Circular were not excluded from modified total direct costs.	Chief Business Officer	Tuesday, March 24, 2015		In Progress

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RSCC	Wednesday, September 24, 2016	Audit of Grants and Sponsored Projects, July 1, 2010 through June 30, 2013 Finding 2 of 4 2. Employee effort certification reports were not consistently completed or approved. Approximately, thirty-three percent (33%) of employee effort reports reviewed were not consistently completed while approximately thirty-seven (37%) of employee effort reports reviewed were not consistently reviewed and signed by a supervisor.	Chief Business Officer	Tuesday, March 24, 2016		In Progress
RSCC	Wednesday, September 24, 2017	Audit of Grants and Sponsored Projects, July 1, 2010 through June 30, 2013 Finding 3 of 4 2. Expenditures were not properly coded as to the type of transaction. The majority of the account miscoding appears to be in three areas: instructional supplies, contract instruction and consulting. The audit determined that 19.72% of expenditures tested totaling $423,461.70, were improperly coded.	Chief Business Officer	Tuesday, March 24, 2017		In Progress
RSCC	Wednesday, September 24, 2018	Audit of Grants and Sponsored Projects, July 1, 2010 through June 30, 2013 Finding 4 of 4 2. Bid requirements were not followed by the College. College bid number, B-0031, totaling $132,809.48 did not solicit fifteen sealed bids as required by TBR Policy, 4:02:10:00. Additionally, the Chief Procurement Officer did not approve the solicitation of less than fifteen bids. Procurement Officer did not approve the solicitation of less than fifteen bids.	Chief Business Officer	Tuesday, March 24, 2018		In Progress
STCC	Saturday, May 02, 2015	Industrial Readiness Grants Finding 1 of 1: The first year grant projections were not achieved.	Director of Grants Management			No Progress
STCC	Tuesday, May 05, 2015	Tuition Statements Finding 1 of 1: Incorrect IRS Form 1098-T's, tuition statements, were issued for the calendar year ended December 31, 2012, because early registration was not included in the reporting period.	Department of Finance			No Progress
STCC	Wednesday, June 24, 2015	Review of Unemployment Expenditures-Management should implement a process that assures monthly unemployment invoices are submitted from the Accounts Payable department to the Human Resources department for review and approval before payment is made.	Vice President of Human Resources	Tuesday, June 30, 2015		In Progress

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STCC	Tuesday, June 30, 2015	STCC- Review of Motor Vehicle Procedures 1. All requests for vehicle usage should be submitted through Event U.	Alice Webster, Technical Clerk of Physical Plant	Thursday, July 16, 2015		In Progress
STCC	Thursday, June 25, 2015	SSTC-Special review of Gymnasium Rentals Internal controls for monitoring gymnasium rentals and payments must be improved to ensure compliance with Tennessee Board of Regents and university policies.	Mattie Johnson, Administrative Secretary of Physical Plant	Tuesday, July 21, 2015		In Progress
STCC	Friday, July 31, 2015	STCC - Review of Motor Vehicle Procedures 2. Mileage on each returned vehicle should be reviewed for reasonableness by the Technical clerk and compared to the college's mileage chart.	Alice Webster, Technical Clerk of Physical Plant	Saturday, August 01, 2015		In Progress
STCC	Friday, July 31, 2015	STCC - Review of Motor Vehicle Procedures 3. Documentation for local travel should contain details showing the reason for the time and the destination.	Alice Webster, Technical Clerk of Physical Plant	Saturday, August 01, 2015		In Progress
STCC	Friday, July 31, 2015	STCC - Review of Motor Vehicle Procedures 4. Plant Management's monthly review of Fuelman credit card bills should be documented. The bills should be reviewed by plant management and compared to credit card receipts.	Alice Webster, Technical clerk of Physical Plant	Saturday, August 01, 2015		In Progress
VSCC	Wednesday, December 18, 2013	Audit of International Education Fee, Released December 2013 1 of 5: Management should record the emergency reserve allocation in the International Education Fee fund.	International Education Office and Business Office	Monday, June 30, 2014		In Progress
WSCC	Thursday, May 21, 2015	CCTA Phase 3 Establish and follow a formal written review and verification process to help ensure that Workforce and Training contact hours are correctly identified and properly interpreted for reporting purposes	Dean of Workforce Training	Thursday, December 31, 2015		In Progress

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Insitituion	**Report Release Date**	**Recommendation**	**Responsible Staff**	**Date Management's Actions to be Implemented**	**Date Internal Audit Follow-Up Completed**	**Status**
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 1 of 16: Develop an Information Security Program Policy with associated procedures, in coordination with a comprehensive information security program being developed by the TBR System Office. The policy should define both business and information security processes, including the designation of an Information Security Officer and development of a security awareness and training program.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 2 of 16: Develop and implement comprehensive procedures for: a) Change Management that defines hardware, network configuration, anti-virus and patch updates, in addition to those in place for Banner updates. b) Vendor Management that defines how the Office of Information Technology will monitor and manage the delivery of goods and services from key vendors. c) Network administration that documents the processes performed to maintain the network in the event key personnel are not available. d) Logging and Monitoring of computer activities that defines what will be logged, how it will be reviewed, and how the results will be handled. e) Remote Devices that includes an agreement that defines expectations of users who connect their personal laptop or cell phone device to the network.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 3 of 16: Establish a process where all information technology policies and procedures are reviewed annually for needed modifications and approvals.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 4 of 16: Ensure all employees and others with computer access privileges sign a statement affirming agreement with the acceptable usage of computing assets and the new information security program policies, when these policies are created or updated.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 5 of 16: Establish criteria regarding the specific topics for discussion and documentation the IT Director will provide the VP for Finance and Administration during the bi-weekly meeting to ensure all aspects of the Office of Information Technology operations are covered for a stronger information technology governance structure.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 6 of 16: Remove the capability that users have as an administrator on their assigned machines to reduce risks of unauthorized system configuration changes and software implementations.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress

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APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 7 of 16: Develop a Business Continuity Plan that will ensure planning for and documentation of: a) The business side of the plan, including business recovery requirements and objectives as well as the assigned roles and responsibilities of the Plan Coordinator who will maintain the plan and prepare personnel in advance of a disaster or other event requiring its use. b) Possible secondary and tertiary assignments for persons in the event personnel are not available at the time of a disaster. c) A test plan and documentation of periodic testing conducted to ensure the plan's effectiveness for recovery.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 8 of 16: Amend the existing Disaster Recovery Plan to reflect needed changes to information technology recovery requirements for compliance with business requirements stated in the Business Continuity Plan.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 9 of 16: Update the firewall configurations to reduce the risks of unauthorized access.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 01, 2015	IT General Controls Review: Recommendation 10 of 16: Encrypt hard drives on mobile devices to reduce risks of unauthorized access to information if the device is lost or stolen.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 11 of 16: For computers linked to the college's network, block access to selected websites that do not render themselves to educational purposes to reduce the risks of unauthorized use and risks of viruses and malicious programs.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 12 of 16: Implement a process to identify unauthorized disseminations of information or malicious links within inbound and outbound emails.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 13 of 16: Distribute procedural instructions to college staff regarding establishing, modifying and deleting access privileges for all users, including full-time, temporary, transferred or promoted employees or contractors.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 14 of 16: Periodically review the lists of accounts with non-expiring passwords and revoke that privilege from accounts that do not require it for specific business purposes.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress

Insititution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 15 of 16: Update password requirements in the Default Domain Policy of Active Directory to ensure the use of stronger password controls as defined in both the new password policy and industry best practices.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
APSU	Wednesday, April 22, 2015	IT General Controls Review: Recommendation 16 of 16: Document major unauthorized access attempts or any information breaches to ensure they are handled according to requirements set in the APSU Incident Response Procedure.	Interim CIO - Austin Siders	Sunday, November 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 1 of 19: Develop an Information Security Program Policy with associated procedures, in coordination with a comprehensive information security program being developed by the TBR System Office. The policy should define both business and information security processes, including the designation of an Information Security Officer and development of a security awareness and training program.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 2 of 19: Develop and implement comprehensive procedures for: a) Vendor Management that defines how OTS will monitor and manage the delivery of goods and services from key vendors. b) Logging and Monitoring of computer activities that defines what will be logged, how it will be reviewed, and how the results will be handled. c) Remote Devices, including an agreement with users who connect their personal laptop or cell phone device to the network. d) Project Documentation that establishes a standard regarding how OTS projects, other than the implementation of Banner program code, will be documented. e) Network Administration that documents the processes performed to maintain the network in the event key personnel are not available. f) Incident Response that defines how unauthorized access attempts and information breaches are documented and handled according to requirements.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 3 of 19: Establish a process where all information technology policies and procedures are reviewed annually for needed modifications and approvals.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress

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TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 4 of 19: Ensure all employees and others with computer access privileges sign a statement affirming agreement with the acceptable usage of computing assets and the new information security program policies, when these policies are created or updated.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 5 of 19: Implement a process for Human Resources to complete background checks on personnel who would have access to sensitive information before the person is hired, in accordance with TBR Guideline P-010, Personnel Transactions and Recommended Forms, that recommends colleges conduct background checks on potential employees.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 6 of 19: Complete the development of new job descriptions for TSU OTS employees.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 7 of 19: Complete the implementation of a hardware and software inventory to ensure OTS has documentation of its assets and has the means to identify unauthorized attempts to implement or remove hardware or software on the network.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 8 of 19: Remove the capability users have as an administrator on their assigned machines to reduce risks associated with unauthorized system configuration changes and software implementations.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 9 of 19: Amend the Help Desk process so that open tickets over 90 days old, or another established measure, are evaluated for their continuing need to remain open.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 10 of 19: Complete the implementation of the new patch management product that is designed to provide better management and oversight of the server and workstation software patching process.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress

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TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 11 of 19: Replace the current process used to back up computer files and data to ensure the files and data can be restored in an effective manner. Also, perform annual tests to ensure data can be restored from the backed up media once a new process is in place.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 12 of 19: Develop a Business Continuity Plan that will ensure planning for and documentation of: a) The business side of the plan, including business recovery requirements and objectives as well as the assigned roles and responsibilities of the Plan Coordinator who will maintain the plan and prepare personnel in advance of a disaster or other event requiring its use. b) Possible secondary and tertiary assignments for persons in the event personnel are not available at the time of a disaster. c) A test plan and documentation of periodic testing conducted to ensure the plan's effectiveness for recovery.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 13 of 19: Amend the existing Disaster Recovery Plan to reflect needed changes to information technology recovery requirements for compliance with business requirements stated in the Business Continuity Plan.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 14 of 19: Encrypt hard drives on mobile devices to reduce risks of unauthorized access to information if the device is lost or stolen.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 15 of 19: Complete the implementation of the new anti-virus software to improve monitoring the university's anti-virus program.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 16 of 19: For computers linked to the college's network, block access to selected websites that do not render themselves to educational purposes to reduce the risks of unauthorized use and risks of viruses and malicious programs.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 17 of 19: Implement a process to identify unauthorized disseminations of information or malicious links within inbound and outbound emails.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress

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TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 18 of 19: Distribute procedural instructions to college staff regarding establishing, modifying and deleting access privileges for users, including full-time, temporary, transferred or promoted employees and contractors.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
TSU	Monday, May 11, 2015	IT General Controls Review: Recommendation 19 of 19: Review the lists of accounts with system administrative or non-expiring privileges assigned, and revoke those that do not require such access privileges.	CIO - Tim Warren	Thursday, October 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 1 of 17: Develop an Information Security Program Policy with associated procedures, in coordination with the comprehensive information security program being developed by the TBR System Office. The policy should document the college's Information security Program, including business and information security processes, the designation of an Information Security Officer and development of a security awareness training program. "	CIO - Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 2 of 17: Develop and implement comprehensive written information technology procedures for: a) Change management that defines all information technology changes, including implementation of Banner updates. b) Logging and monitoring network and systems access that defines the activity to be logged, the review process and the resulting actions to be taken. c) Incident Response procedures, so key unauthorized access attempts or any information breaches are documented and handled according to procedure requirements and as required by Federal regulations."	CIO - Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 3 of 17: Establish a process where all information technology policies and procedures are reviewed annually for needed modifications to provide clear guidance to staff."	CIO - Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 4 of 17: Ensure all employees and others with computer access privileges sign a statement affirming agreement with the acceptable usage of computing assets and the new information security program policies, when these policies are updated. "	CIO _ Chris Mowery	Tuesday, December 01, 2015		No Progress

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CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 5 of 17: Expand the responsibilities of the Technology Resource Committee, to include a review of other key documented results of information technology operations that are outside of those strategic projects not currently reviewed by the VP – Finance and Advancement, for a stronger information technology governance structure. "	CIO - Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 6 of 17: Implement a process for Human Resources to complete background checks on Information Technology office employees before those individuals begin work. This ensures compliance with TBR Guideline P-010, Personnel Transactions and Recommendations that recommends colleges conduct background checks on potential employees who would have access to sensitive information. "	CIO - Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 7 of 17: Complete the implementation of the software product acquired to give the Information Technology office the ability to identify unauthorized software uploading on workstations. "	CIO - Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 8 of 17: Establish a process where Help Desk tickets over 90 days old, or another established measure, are evaluated for their continuing need to remain open. "	CIO - Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 9 of 17: Complete the implementation of the configuration solution to ensure certain devices with the Windows 7 operating system are patched effectively. "	CIO Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 10 of 17: Document the business-side of the Business Continuity Plan (BCP) to ensure business recovery requirements and objectives are established and planned; assign the role and responsibilities of the BCP Coordinator to the person who will maintain the plan and will prepare personnel in advance of a disaster or other event requiring use of the plan. "	CIO Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 11 of 17: Develop a process to test parts of the BCP periodically to ensure the plan's effectiveness for recovery. "	CIO Chris Mowery	Tuesday, December 01, 2015		No Progress

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CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 12 of 17: Block access on computers linked to the college's network to selected websites that do not render themselves to educational or business purposes to reduce the risks of unauthorized use, as well as the risks of viruses and malicious programs. "		Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 13 of 17: Establish a timeframe to conduct periodic network penetration tests and vulnerability scans to identify and correct for exploitable areas in the network's external and internal configuration. Such tests are also required to be conducted for Payment Card Industry Data Security Standards, i.e. PCI/DSS, testing. "	CIO Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 14 of 17: Distribute procedural instructions to college staff regarding establishing, modifying and deleting access privileges for users, including contracted users and temporary employees. "	CIO Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 15 of 17: Complete the process to periodically review each user's computer access privileges to determine whether assigned access privileges are still appropriate. This assessment should also determine whether users who have not logged in within the last year still need their assigned access privileges. "	CIO Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 16 of 17: Review the lists of accounts with assigned administrator privileges or with a non-expiring password and revoke those that do not require such access authority. "	CIO Chris Mowery	Tuesday, December 01, 2015		No Progress
CISCC	Monday, April 06, 2015	"IT General Controls Review: Recommendation 17 of 17: Update password requirements in the Default Domain Policy of Active Directory to strengthen password controls, as defined in TBR Guideline G-051, Password Management and in industry best practices."	CIO Chris Mowery	Tuesday, December 01, 2015		No Progress

Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - SWIA Information Systems **(Reports sorted by Insitituion, Date of Report)**				
JSCC	Monday, September 08, 2014	IT General Controls Review: Recommendation 1 of 11: In coordination with an information security program being developed by the TBR System Office, enhance the JSCC Information Security Program Policy, being developed, with its associated procedures, to include: a) disclosure that the JSCC Information Security Committee is responsible for maintenance of this Policy; b) designation of an Information Security Officer and development of a security awareness and training program; and c) identification of JSCC's existing Information Classification Policy, Acceptable Use Policy, Mobile Device Policy and OIT Security Procedures in the OIT General Standards as supporting policies and procedures.	CIO - Dana Nails	Tuesday, March 31, 2015		In Progress
JSCC	Monday, September 08, 2014	IT General Controls Review: Recommendation 3 of 11: Evaluate the existing governance structure for IT to ensure the management and activity of the Banner Oversight and IT Security Committees meet the full requirements for the college, its management and business users.		Tuesday, March 31, 2015		In Progress
JSCC	Monday, September 08, 2014	IT General Controls Review: Recommendation 4 of 11: Develop a comprehensive IT procedure for logging and monitoring computer activity that defines the criteria for activity to be logged, the timing and responsibility for monitoring the logs and the processes for handling identified exceptions.	CIO - Dana Nails	Tuesday, March 31, 2015		In Progress
JSCC	Monday, September 08, 2014	IT General Controls Review: Recommendation 7 of 11: Develop tracking processes to alert OIT personnel when attempts to alter anti-virus program functionality or to implement unauthorized software occur.	CIO - Dana Nails	Tuesday, March 31, 2015		In Progress
JSCC	Monday, September 08, 2014	IT General Controls Review: Recommendation 8 of 11: Document the business-side of the Business Continuity Plan (BCP) to ensure business recovery requirements and objectives are established and planned; assign the role and responsibilities of BCP Coordinator to the person who will maintain the plan and will prepare personnel in advance of an event requiring use of the plan.	CIO - Dana Nails	Tuesday, March 31, 2015		In Progress
JSCC	Monday, September 08, 2014	IT General Controls Review: Recommendation 9 of 11: Develop a process to test parts of the BCP periodically to ensure the plan's effectiveness for recovery.	CIO - Dana Nails	Tuesday, March 31, 2015		In Progress

Insititution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - SWIA Information Systems (Reports sorted by Insititution, Date of Report)				
JSCC	Monday, September 08, 2014	IT General Controls Review: Recommendation 11 of 11: Develop information security processes to: a) distribute procedural instructions to college staff regarding establishing, modifying and deleting access privileges for users; b) review and delete active access privileges of terminated employees and suspend the Banner access privileges of users who have not logged in within the last 120 days; and c) complete the process of periodically reviewing each user's computer access privileges to re-justify the assigned access privileges as appropriate.	CIO - Dana Nails.	Tuesday, March 31, 2015		In Progress
PSCC	Wednesday, September 03, 2014	IT General Controls Review: Recommendation 1 of 20: Develop an Information Security Program Policy with associated procedures for PSCC, in coordination with a comprehensive information security program being developed by the TBR System Office that defines both business and IT security processes, including the designation of an Information Security Officer and development of a security awareness and training program.	CIO - Jerry Bryan ... retired	Tuesday, March 31, 2015		In Progress
PSCC	Wednesday, September 03, 2014	IT General Controls Review: Recommendation 2 of 20: Develop comprehensive IT procedures for change management and network administration.	CIO - Jerry Bryan ... retired	Tuesday, March 31, 2015		In Progress
PSCC	Wednesday, September 03, 2014	IT General Controls Review: Recommendation 4 of 20: Evaluate the existing governance structure for IT to ensure the management and activity of the Banner Oversight Committee meets the full requirements for the college, its management and business users.	CIO - Jerry Bryan ... retired	Tuesday, March 31, 2015		In Progress
PSCC	Wednesday, September 03, 2014	IT General Controls Review: Recommendation 7 of 20: Develop inventory and tracking processes for all IT computing equipment and software to ensure proper management of computing assets, including hardware maintenance, software patching, anti-virus program updates and other aspects of hardware and software management.	CIO - Jerry Bryan ... retired	Tuesday, March 31, 2015		In Progress
PSCC	Wednesday, September 03, 2014	IT General Controls Review: Recommendation 8 of 20: Implement a process that alerts designated Information Services personnel when attempts occur to connect unauthorized equipment to the network or to copy or upload unauthorized software.	CIO - Jerry Bryan ... retired	Tuesday, March 31, 2015		In Progress

Insititution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - SWIA Information Systems (Reports sorted by Insititution, Date of Report)				
PSCC	Wednesday, September 03, 2014	IT General Controls Review: Recommendation 11 of 20: Document the business-side of the Business Continuity Plan (BCP) to ensure business recovery requirements and objectives are established and planned; assign the role and responsibilities of BCP Coordinator to the person who will maintain the plan and will prepare personnel in advance of a disaster or other event requiring use of the plan; and develop a process to test parts of the BCP periodically to ensure the plan's effectiveness for recovery.	CIO - Jerry Bryan ... retired	Tuesday, March 31, 2015		In Progress
PSCC	Wednesday, September 03, 2014	IT General Controls Review: Recommendation 14 of 20: Develop a process to periodically check the configuration of computer anti-virus software to ensure workstations are updated and functioning properly.	CIO - Jerry Bryan ... retired	Tuesday, March 31, 2015		In Progress
PSCC	Wednesday, September 03, 2014	IT General Controls Review: Recommendation 16 of 20: Establish a process to periodically review each user's computer access privileges to re-justify assigned access privileges.	CIO - Jerry Bryan ... retired	Tuesday, March 31, 2015		In Progress
PSCC	Wednesday, September 03, 2014	IT General Controls Review: Recommendation 20 of 20: Reassess and document the process for logging and monitoring system utilization data and alerts.	CIO - Jerry Bryan ... retired	Tuesday, March 31, 2015		In Progress
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 1 of 15: Develop an Information Security Program Policy with associated procedures, in coordination with a comprehensive information security program being developed by the TBR System Office. The policy should define both business and information security processes, including the designation of an Information Security Officer and development of a security awareness and training program.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress

Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - SWIA Information Systems (Reports sorted by Insitituion, Date of Report)				
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 2 of 15: Develop and implement comprehensive procedures for: a) Change Management that defines hardware, network configuration, anti-virus and patch updates, in addition to those in place for Banner updates. b) Vendor Management that defines how the Office of Information Technology will monitor and manage the delivery of goods and services from key vendors. c) Remote Devices that includes an agreement that defines expectations of users who connect their personal laptop or cell phone evice to the network. d) Logging and Monitoring of computer activities that defines what will be logged, how it will be reviewed, and how the results will be handled. e) Incident Response that defines how unauthorized access attempts and information breaches are documented and handled according to requirements.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 3 of 15: Establish a process where all information technology policies and procedures are reviewed annually for needed modifications and approvals.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 4 of 15: Ensure all employees and others with computer access privileges sign a statement affirming agreement with the acceptable usage of computing assets and the new information security program policies, when these policies are created or updated.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 5 of 15: Expand the responsibilities of the President's Cabinet to review documented results of all aspects of information technology operations, in addition to documentation of strategic initiatives, for a stronger information technology governance structure.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 6 of 15: Implement a process for Human Resources to complete background checks on personnel who would have access to sensitive information before the person is hired in accordance with TBR Guideline P-010, Personnel Transactions and Recommended Forms, that recommends colleges conduct background checks on potential employees.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 7 of 15: Remove the capability that users have as an administrator on their assigned machines to reduce risks of unauthorized system configuration changes and software implementations.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress

		TBR SWIA - Status Report on Internal Audit Recommendations - SWIA Information Systems (Reports sorted by Insitituion, Date of Report)				
Insitituion	**Report Release Date**	**Recommendation**	**Responsible Staff**	**Date Management's Actions to be Implemented**	**Date Internal Audit Follow-Up Completed**	**Status**
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 8 of 15: Establish a process where Help Desk tickets over 90 days old, or another established measure, are evaluated for their continuing need to remain open.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 9 of 15: Develop a Business Continuity Plan that will ensure planning for and documentation of: a) The business side of the plan, including business recovery requirements and objectives as well as the assigned roles and responsibilities of the Plan Coordinator who will maintain the plan and prepare personnel in advance of a disaster or other event requiring its use. b) Possible secondary and tertiary assignments for persons in the event personnel are not available at the time of a disaster. c) A test plan and documentation of periodic testing conducted to ensure the plan's effectiveness for recovery.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
RSCC	Friday, April 17, 2015	"IT General Controls Review: Recommendation 10 of 15: Amend the existing Disaster Recovery Plan to reflect needed changes to information technology recovery requirements for compliance with business requirements stated in the Business Continuity Plan. "	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 11 of 15: For computers linked to the college's network, block access to selected websites that do not render themselves to educational purposes to reduce the risks of unauthorized use and risks of viruses and malicious programs.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 12 of 15: Distribute procedural instructions to college staff regarding establishing, modifying and deleting access privileges for all users, including full-time, temporary, transferred or promoted employees or contractors.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 13 of 15: Implement a process to periodically review each user's computer access privileges to re-justify assigned access privileges. Include in this assessment a requirement to document the need to retain active user access privileges where the user has not logged in within the last year.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress

Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - SWIA Information Systems **(Reports sorted by Insituion, Date of Report)**				
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 14 of 15: Implement a process to periodically review the lists of accounts with system administrator privileges assigned and revoke those that do not require such access privileges.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
RSCC	Friday, April 17, 2015	IT General Controls Review: Recommendation 15 of 15: Implement a process to periodically review the listing of persons who have card key access to the server room and limit such access to only persons with a true business need.	CIO - Tim Carroll	Friday, July 31, 2015		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 1 of 17: Develop an Information Security Program with associated policies, in coordination with a comprehensive information security program being developed by the TBR System Office. The policy should define both business and information security processes, including the designation of an Information Security Officer and development of a security awareness and training program.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Observations 2 of 17: Develop, disseminate and implement comprehensive information technology procedures for: a. Change Management that defines how the Strata Group will assist in maintaining application systems at STCC. b. User Access that defines how all users, including full-time, temporary, transferred or promoted employees or contractors, will have computer access privileges assigned, modified or revoked. c. Vendor Management that defines how the Office of Information Technology will monitor and manage the delivery of goods and services from key vendors. d. Network administration that documents the processes performed to maintain the network in the event key personnel are not available. e. Incident Response that defines how the college will handle and document its responses to possible information breaches. f. Logging and Monitoring of computer activities that defines what will be logged, how it will be reviewed, and how the results will be handled. g. Remote Devices that includes an agreement that defines expectations of users who connect their personal laptop or cell phone device to the network.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress

Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - SWIA Information Systems (Reports sorted by Insituion, Date of Report)				
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 3 of 17: Ensure all employees and others with computer access privileges sign a statement affirming agreement with the acceptable usage of computing assets and the new information security program policies, when these policies are created or updated.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 4 of 17: Ensure documentation is available to support the delivery of goods and services by key IT vendors in a manner that does not compromise sensitive information at STCC.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 5 of 17: Remove the capability that users have as an administrator on their assigned machines to reduce risks of unauthorized system configuration changes and software implementations.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 6 of 17: Establish a process where Help Desk tickets over 90 days old, or another established measure, are evaluated for their continuing need to remain open.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 7 of 17: Complete the implementation of the device for disk to disk backup of data to ensure a more effective recovery.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 8 of 17: Document the incidents where business data is recovered to ensure there is documentation regarding the ability to recover data from backed up media.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 9 of 17: Develop a Business Continuity Plan that will ensure planning for and documentation of: a. The business side of the plan, including business recovery requirements and objectives as well as the assigned roles and responsibilities of the Plan Coordinator who will maintain the plan and prepare personnel in advance of a disaster or other event requiring use of the plan. b. Possible secondary and tertiary assignments for persons in the event personnel are not available at the time of a disaster. c. A test plan and documentation of periodic testing conducted to ensure the plan's effectiveness for recovery.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress

		TBR SWIA - Status Report on Internal Audit Recommendations - SWIA Information Systems (Reports sorted by Insituion, Date of Report)				
Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 10 of 17: Amend the existing Disaster Recovery Plan to reflect needed changes to information technology recovery requirements for compliance with business requirements stated in the Business Continuity Plan.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 11 of 17: Block access to selected websites that do not render themselves to educational purposes to reduce the risks of unauthorized use and risks of viruses and malicious programs.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 12 of 17: Implement a process to periodically review each user's computer access privileges to re-justify assigned access privileges. Include in this assessment a requirement to document the need to retain active user access privileges where the user has not logged in within the last year.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 13 of 17: Periodically review the lists of accounts with administrator privileges or non-expiring passwords and revoke that privilege from accounts that do not require it for specific business purposes.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 14 of 17: Update password requirements in the Default Domain Policy of Active Directory to ensure the use of stronger password controls as defined in both the new password policy and industry best practices.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 15 of 17:Re-implement the criteria in Banner that manages the complexity and expiration of Banner passwords.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 16 of 17: Establish a process to gather, store and protect information on computer hard drives when circumstances require management retrieve and retain such information.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress
STCC	Monday, July 06, 2015	IT General Controls Review Recommendation 17 of 17: Document major unauthorized access attempts or any information breaches to ensure they are handled according to requirements set in the STCC Incident Response Procedure.	CIO - Michael Boyd	Monday, January 04, 2016		No Progress

Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - SWIA Information Systems (Reports sorted by Insitituion, Date of Report)				
TBR - System Office	Friday, May 23, 2014	"IT General Controls Review: Recommendation 2 of 16: Develop a change management procedure, for use by the system office, which identifies how management maintains and documents the maintenance of hardware, software and the network through patching, anti-virus, help desk and general maintenance functions."	CIO Tom Danford	Monday, December 01, 2014		No Progress
TBR - System Office	Friday, May 23, 2014	"IT General Controls Review: Recommendation 9 of 16: Implement encryption software on the TBR system office hard drives of assigned laptops."	CIO - Tom Danford	Monday, June 01, 2015		No Progress
TBR - System Office	Friday, May 23, 2014	"IT General Controls Review: Recommendation 10 of 16: Consider implementing at the TBR system office, a mobile device service agreement for users assigned a mobile device and with access to personally identifiable information."	CIO - Tom Danford	Monday, June 01, 2015		No Progress
TBR - System Office	Friday, May 23, 2014	"IT General Controls Review: Recommendation 16 of 16: Reassess and document the process for logging and monitoring system utilization data and alerts."	CIO - Tom Danford	Monday, December 01, 2014		No Progress
TBR - System Office	Monday, May 11, 2015	"Review of Research and Data Reporting Process: Recommendation 1 of 3: Require campuses to run the edit programs and make the essential corrections to the Banner system database in advance of the creation of the extraction file to reduce the volume of corrections identified by TBR Research and Assessment in each term's edit program run. A second option is to have IT request Ellucian to implement, as part of its normal updates to the Banner system, stronger required fields and validation routines, that more closely resemble routines performed in the edit program when the original data entry is performed at the campus level. "	AVC Chris Tingle	Friday, October 30, 2015		No Progress

Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
		TBR SWIA - Status Report on Internal Audit Recommendations - SWIA Information Systems **(Reports sorted by Insitituion, Date of Report)**				
TBR - System Office	Monday, May 11, 2015	"Review of Research and Data Reporting Process: Recommendation 2 of 3: Implement procedures, including required steps and naming protocols to be performed by each university and community college when entering the data corrections into the Banner system from the TBR Research and Assessment edit process. The procedures should include a re-certification by the institution to ensure completion of the correction process that also links the correction entry to data in its semester of origin. These procedures are essential to ensure the Banner system's database, which is the original source of data, matches the data used in the THEC process. An alternative approach is for the Research and Assessment group to implement periodic training for those involved in the process. This training should focus on the institution's responsibility to use the edit process to ensure the accuracy of its Banner data. "	AVC Chris Tingle	Friday, October 30, 2015		No Progress
TBR - System Office	Monday, May 11, 2015	"Review of Research and Data Reporting Process: Recommendation 3 of 3: 3. Establish a process where all changes made to the extraction files by TBR Research and Assessment are fully identified, documented and authorized to improve the integrity of the data. This could be completed by running a program that compares and identifies changes in the updated file to the original version of the files received from the campuses and subjecting the resulting report to independent review. "	AVC Chris Tingle	Friday, October 30, 2015		No Progress

	TBR SWIA - Status Report on Internal Audit Recommendations - TCATs (Reports sorted by Insitituion, Date of Report)					
Insitituion	**Report Release Date**	**Recommendation**	**Responsible Staff**	**Date Management's Actions to be Implemented**	**Date Internal Audit Follow-Up Completed**	**Status**
TCAT - Athens	Friday, August 08, 2014	Focused Review: Observation 1 of 1: Management's review of the accounts receivable reconciliations is not documented by signing and dating the reconciliation.	Director	Wednesday, December 31, 2014		In Progress
TCAT - Crossville	Friday, April 17, 2015	Focused Review - Finding 1 of 1: Accounts Receivable -- Collection letters should be sent at 30 day intervals.	Director	Thursday, December 31, 2015		No Progress
TCAT - Dickson	Thursday, June 11, 2015	Focused Review: Observation 1 of 1: Collection letters should be sent at 30 day intervals.	Director	Thursday, December 31, 2015		No Progress
TCAT - Harriman	Tuesday, April 15, 2014	Focused Review: Observation 1 of 2: Collection letters for 4 of 5 receivable items tested did not include notice that the account would be referred to a collection agency if not paid.	Director	Tuesday, June 30, 2015		In Progress
TCAT - Harriman	Tuesday, April 15, 2014	Focused Review - Observation 2 of 2: Management's review of the accounts receivable reconciliation is not documented by signing and dating the reconciliation.	Director	Tuesday, June 30, 2015		In Progress
TCAT - Jacksboro	Friday, January 09, 2015	Focused Review: Finding 1 of 1: Collection letters were sent 29 to 247 days late, after allowing 45 days for students to respond or make payment. The modified collection is not documented in the college's policy and procedure manual.	Director	Tuesday, June 30, 2015	Monday, July 06, 2015	Action Completed
TCAT - Jackson	Friday, September 05, 2014	Focused Review: Finding 1 of 1: Second collection letters for 12 of15 receivable items tested were sent 1- 55 days late and third collection letters for 5 of 15 items tested were sent 2 days late.	Director	Tuesday, March 31, 2015	Thursday, June 11, 2015	Action Completed
TCAT - Jackson	Friday, September 05, 2014	Focused Review: Observatin 1 of 1: Collection procedures, modified from TBR Guideline B-010, requiring collection letters every 30 days, were not documented.	Director	Tuesday, March 31, 2015	Thursday, June 11, 2015	Action Completed
TCAT - Knoxville	Tuesday, August 19, 2014	Focused Review: Finding 1 of 2: Collection letters for 4 of 10 receivable items tested were sent 20-26 days late.	Director	Tuesday, June 30, 2015		In Progress
TCAT - Knoxville	Tuesday, August 19, 2014	Focused Review: Finding 2 of 2: Title IV refunds tested were not processed within the 45 day Federal requirement for 2 of 7 items.	Director	Tuesday, June 30, 2015		In Progress
TCAT - Knoxville	Tuesday, August 19, 2014	Focused Review: Observatin 1 of 1: Collection procedures, modified from TBR Guideline B-010, requiring collection letters every 30 days, were not documented.	Director	Tuesday, June 30, 2015		In Progress
TCAT - McKenzie	Tuesday, November 11, 2014	Focused Review: Observation 1 of 3: Title IV refunds were processed between 35 and 37 days late.	Director	Thursday, December 31, 2015		No Progress
TCAT - McKenzie	Tuesday, November 11, 2014	Focused Review: Observation 2 of 3: Management's review of the accounts receivable reconciliation is not documented by signing and dating the reconciliation.	Director	Thursday, December 31, 2015		No Progress
TCAT - McKenzie	Tuesday, November 11, 2014	Focused Review: Observation 3 of 3: TBR Guideline allowing fexibility in collection procedures of sending letters at 45 day intervals is not documented in the college's internal procedures.	Director	Thursday, December 31, 2015		No Progress

		TBR SWIA - Status Report on Internal Audit Recommendations - TCATs **(Reports sorted by Insitituion, Date of Report)**				
Insitituion	**Report Release Date**	**Recommendation**	**Responsible Staff**	**Date Management's Actions to be Implemented**	**Date Internal Audit Follow-Up Completed**	**Status**
TCAT - McMInnville	Monday, May 19, 2014	Focused Review: Observation 1 of 1: The Director should document the review of the student accounts receivable reconciliation.	Director	Tuesday, June 30, 2015		In Progress
TCAT - Memphis	Friday, January 09, 2015	Focused Review: Finding 1 of 1: Letters of receivable balances were sent to students from 4 to 53 days late, after allowing 30 days for students to respond or make payment.	Director	Tuesday, June 30, 2015		No Progress
TCAT - Memphis	Friday, January 09, 2015	Focused Review: Observation 1 of 2: Management's review of the accounts receivable reconciliation is not documented by signing and dating the reconciliation.	Director	Tuesday, June 30, 2015		No Progress
TCAT - Memphis	Friday, January 09, 2015	Focused Review: Observation 2 of 2: Financial Aid must receive notice or have access to the report system to ensure the return of Title IV funds are made within the required 45 days.	Director	Tuesday, June 30, 2015		No Progress
TCAT - Nashville	Tuesday, April 21, 2015	Focused Review: Finding 1 of 2: The required number of collection letters for accounts receivable should be sent.	Director	Tuesday, June 30, 2015		No Progress
TCAT - Nashville	Tuesday, April 21, 2015	Focused Review: Finding 2 of 2: Collection letters for accounts receivable should be sent at 30 day intervals.	Director	Tuesday, June 30, 2015		No Progress
TCAT - Nashville	Tuesday, April 21, 2015	Focused Review: Observation 1 of 1: Student receivables for accounts receivable should be aged monthly.	Director	Tuesday, June 30, 2015		No Progress
TCAT - Paris	Thursday, January 29, 2015	Focused Review: Finding 1 of 1: The procedures used for collections by the school do not comply with the TBR Guideline.	Director	Thursday, December 31, 2015		No Progress
TCAT - Paris	Thursday, January 29, 2015	Focused Review: Observation 1 of 1: Management's monthly review of the accounts receivable reconciliation is not documented by signing and dating the reconciliation.	Director	Thursday, December 31, 2015		No Progress
TCAT - Pulaski	Friday, September 05, 2014	Focused Review: Finding 1 of 1: Financial Aid Refunds and Financial Aid Student Accounts Receivable were not initiated within the required time frames.	Director	Tuesday, June 30, 2015	Friday, August 07, 2015	Action Completed
TCAT - Shelbyville	Wednesday, May 06, 2015	Focused Review: Observation 1 of 1: Accounts Receivable - Collection letters should be sent at 30 day intervals.	Director	Thursday, December 31, 2015		No Progress
TCAT - Whiteville	Monday, April 21, 2014	Focused Review: Observation 1 of 1: The Director should document the monthly review of the accounts receivable reconciliation.	Director	Tuesday, June 30, 2015	Thursday, June 25, 2015	Action Completed

		TBR SWIA - Status Report on Internal Audit Recommendations - TBR System Office (Reports sorted by Insitituion, Date of Report)				
Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
TBR - System Office	Wednesday, June 05, 2013	Travel Expenses Audit -- 7/1/12 - 12/9/12 Business Office review of travel expenses should be improved.	Vice Chancellor for Finance and Administration Director of Fiscal Services	Saturday, May 31, 2014		In Progress

Insitituion	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
TBR SWIA - Status Report on Internal Audit Recommendations - Tennessee Foreign Language Insititute (Reports sorted by Insitituion, Date of Report)
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI and TBR should revise the outdated agreement to clearly define specific responsibilities and obligations of each party to ensure there is a clear understanding between the entities.	TFLI Executive Director	Tuesday, September 30, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI should consider requesting an Attorney General opinion regarding the status of TFLI employees in relation to state employee benefits.	TFLI Executive Director	Sunday, June 01, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI Executive Director, in coordination with TBR staff, should perform an annual risk assessment to comply with the Financial Integrity Act.	TFLI Executive Director	Saturday, May 31, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI Executive Director should ensure a detailed budget is created and used to continually monitor financial activity; timely and accurate budget to actual comparisons will provide critical information to management and the Board about operations so that action can be taken when any issues arise. the TFLI Board should approve the budget and monitor revenues, expenditures and adherence to the budget through periodic reports provided by TFLI. If two accounting systems are to be used, the executive Director should ensure the two system,s reconcile and financial data presented to the Board is accurate.	TFLI Executive Director	Monday, June 30, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review TFLI management should ensure all employees are aware of and understand the state laws governing surplus property. The Board should consider disciplinary action as deemed necessary.	TFLI Executive Director	Thursday, May 08, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI Board should consider adding a senior accountant position to manage the day to day business operations and the budgetary and financial reporting activities.	TFLI Executive Director	Wednesday, July 01, 2015		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review TFLI tuition discounts should be defined and approved by the Board. Management should ensure discounts are a sound financial practice for the Institute.	TFLI Executive Director	Monday, June 30, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI Executive Director should create, document, test and disseminate to all employees a business continuity plan and a disaster recovery plan for information technology infrastructure.	TFLI Executive Director	Wednesday, December 31, 2014		No Progress

Insititution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Date Internal Audit Follow-Up Completed	Status
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI Executive Director should properly safeguarded cash by ensuring the safe is locked when not being used and is only accessible by authorized staff members.	TFLI Executive Director	Monday, June 30, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI Executive Director should ensure a consistent methodology for approval and use of leave is in place for all employees.		Thursday, May 08, 2014		In Progress
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI Executive Director should ensure cash receipting duties are adequately segregated so that the same person is not receipting money, posting to the accounting records, and creating the deposit. The Executive Director should provide oversight for the operations and in that role, should not be involved in handling transactions.	TFLI Executive Director	Thursday, May 08, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI Executive Director should ensure a daily reconciliation of receipts is performed comparing the tuition revenue receipted to the enrollment management system as a control procedure to document that all student registered have paid and that revenue is properly recognized and recorded.	TFLI Executive Director	Friday, May 30, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI Executive Director should work with the TBR Business Office to routinely and timely submit credit card receipts with appropriate level of detail for proper accounting treatment.	TFLI Executive Director	Thursday, May 08, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review TFLI management should ensure deposits are made timely.	TFLI Executive Director	Thursday, May 08, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review The TFLI Executive Director should implement controls to ensure all expenses have a documented approval prior to incurring the expense.	TFLI Executive Director	Thursday, May 08, 2014		No Progress
TFLI	Thursday, May 08, 2014	TFLI Review Efforts should be made to ensure the distinctions between the TFLI and the TFI Fund Inc. are clearly documented and understood by all parties.	TFLI Executive Director	Thursday, May 08, 2014		No Progress

TBR SWIA - Status Report on Internal Audit Recommendations - Tennessee Foreign Language Insititute
(Reports sorted by Insituion, Date of Report)

Tennessee Board of Regents
Committee on Audit

DATE: August 25, 2015

AGENDA ITEM: **Review of Internal Audit Year-End**
                                                      Status Reports for FY 2015

PRESENTER: Tammy Birchett

ACTION REQUIRED: Informational Item

STAFF'S RECOMMENDATION: Accept Report

BACKGROUND INFORMATION:

The committee will review the year-end status reports on the internal audit plans for the system institutions for Fiscal Year 2015.

This item includes the following summary information on system audit activities for the year.

> Percentage of Audit Effort by Location/Activity
> Planned Hours Compared to Actual Hours
> Percentage of the Audit Plan Completed
> Three-year Trend Analysis of Actual Audit Hours for Completed Audits
> Completed Internal Audits
> Summary of Investigation Activity

The summary schedules are followed by a Year-end Status Report for each institution.

Tennessee Board of Regents
Percentage of Audit Effort by Location/Activity - Total Hours*
Fiscal Year 2015

Institution (staff)

Institution (staff)	Percentage
UoM (4)	~14.3%
ETSU (4) ***	~10.4%
MTSU (4)	~9.2%
TTU (2)	~8.1%
TSU (2)	~6.0%
TBR - Investigations (1)	~5.2%
APSU (2)	~4.8%
TBR - TCATs (1)	~4.6%
TBR - Information Technology (1)	~4.2%
ChSCC (1)	~3.7%
NaSCC (1)	~3.4%
WSCC (1)	~3.3%
VSCC (1)	~3.1%
PSCC (1)	~2.9%
ClSCC (1)	~2.8%
TBR - Internal Audit (1)	~2.7%
JSCC (1)	~2.5%
STCC (1) ***	~2.4%
CoSCC (1) **	~1.6%
NeSCC (1)	~1.6%
MSCC (1)**	~1.5%
DSCC (1)***	~1.5%
RSCC (1) ***	~1.3%

(x-axis: 0% to 16%)
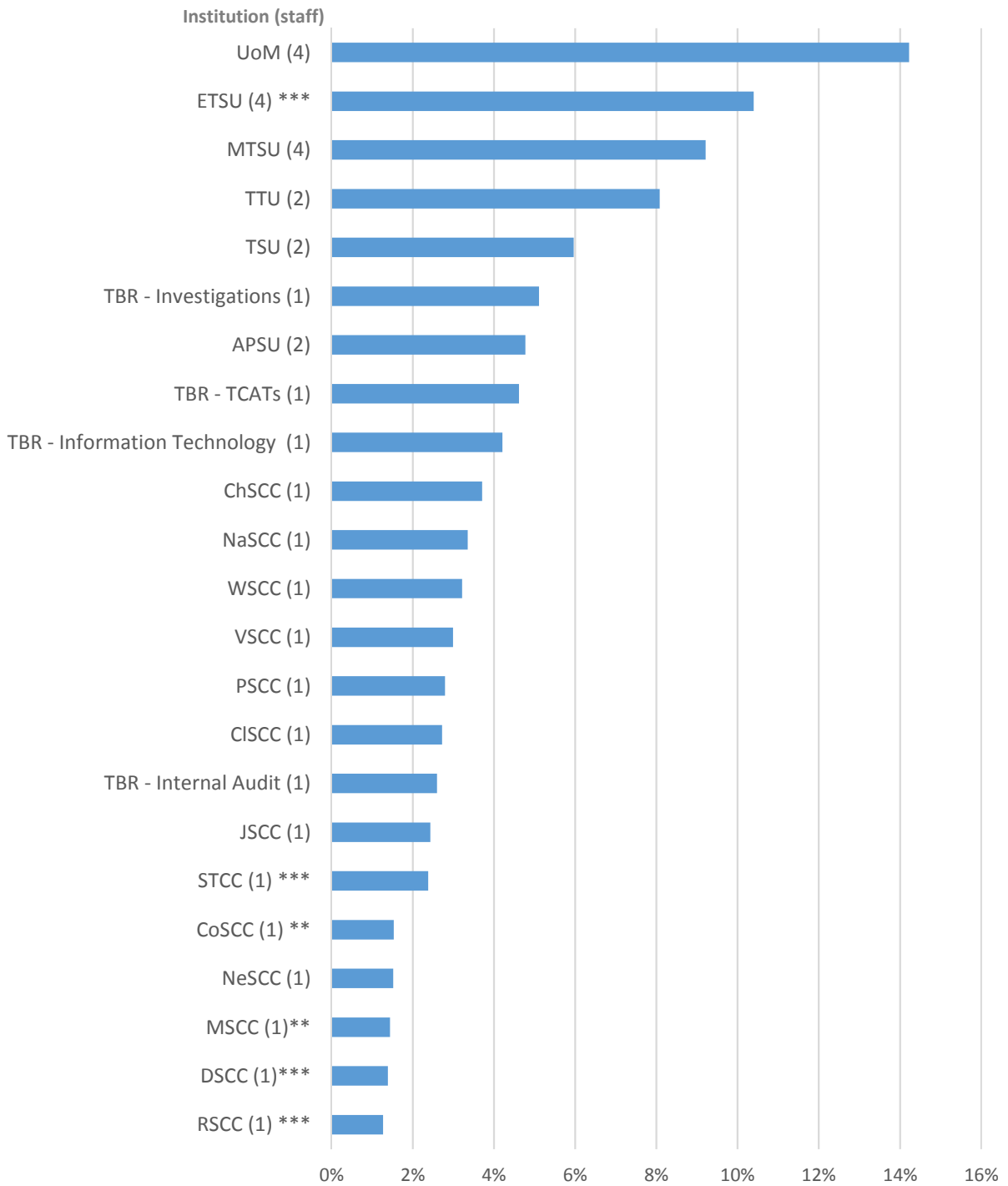
Notes:

*   Actual audit hours for all campuses totaled 37,970.

**   This institution did not have a full time auditor for the entire year, but contracted with MTSU for audit services.

***   This campus had a vacant position for a portion of the year.

Tennessee Board of Regents
Planned Hours Versus Actual Hours
Fiscal Year 2015

Institution	Planned Audit Hours	Actual Audit Hours	% of Planned Hours Achieved
APSU (4)	2,350	1,815	77%
ETSU (5)	5,135	3,949	77%
MTSU	3,970	3,498	88%
TSU	1,775	2,265	128%
TTU	3,375	3,070	91%
UoM	5,365	5,401	101%
ChSCC	1,605	1,410	88%
ClSCC	1,130	1,035	92%
CoSCC (1)	677	582	86%
DSCC (2)	529	529	100%
JSCC	1,190	925	78%
MSCC (1)	786	547	70%
NaSCC	1,238	1,275	103%
NeSCC (2)	670	578	86%
PSCC	1,220	1,063	87%
RSCC (2)	1,205	484	40%
STCC	823	904	110%
VSCC	1,300	1,137	87%
WSCC	1,222	1,222	100%
TBR - TCATs (3)	1,547	1,754	113%
TBR - Internal Audit	1,255	989	79%
TBR - Information Systems (3)	1,528	1,598	105%
TBR - Investigations (3)	1,329	1,941	146%
Totals	41,223	37,970	92%

Notes:
Variances between actual audit hours and planned hours occur because of many factors.
The most common factors are unplanned absences, or staff changes or vacancies.

(1) This institution did not have an auditor for the entire year, but contracted with MTSU for audit services.
(2) This position was vacant for a portion of the year.
(3) Because the SWIA CAE and SWIA Assistant Director allocate time across various audit functions as needed, the hours reflect time for more than the single auditor responsible for the type of audit.

(4) The Internal Audit Director indicated significant time was spent working on a special request from management but the hours were not captured on the audit status report.
(5) The Internal Audit Director indicated the planned hours were not revised to reflect a decrease in hours worked for one position and a staff vacancy.

Tennesse Board of Regents
Percentage of the Audit Plan Completed
Fiscal Year 2015

Institution	Planned Audits	Completed Audits	Percentage Completed	In Progress at Year End	Percentage Completed or In Progress at Year End
APSU	16	8	50%	5	81%
ETSU	32	24	75%	8	100%
MTSU	30	20	67%	10	100%
TSU (3)	14	16	114%	4	143%
TTU	30	27	90%	3	100%
UOM (3)	29	35	121%	3	131%
ChSCC	28	21	75%	3	86%
ClSCC	12	10	83%	3	108%
CoSCC (2)	10	10	100%	0	100%
DSCC (1)	10	8	80%	3	110%
JSCC	19	16	84%	3	100%
MSCC (2)	15	14	93%	0	93%
NaSCC	16	17	106%	1	113%
NeSCC	11	11	100%	0	100%
PSCC	20	19	95%	2	105%
RSCC (1)	21	5	24%	0	24%
STCC	17	12	71%	4	94%
VSCC	12	11	92%	1	100%
WSCC	20	14	70%	4	90%
TBR - Internal Audit	12	10	83%	1	92%
TBR - TCATs	48	26	54%	22	100%
TBR - Information Systems	21	11	52%	8	90%
TBR - Investigations	19	9	47%	10	100%
Total	462	354	77%	98	98%

Notes:

This chart compares the number of planned audits to the number of audits completed during the year.

(1) This position was vacant for a portion of the year.
(2) This institution did not have an auditor for the entire year, but contracted with MTSU for audit services.
(3) This institution had a high number of unscheduled investigations occur during the year (6 at TSU, 10 at UoM), which accounts for the high completion rate.

Tennessee Board of Regents
Three-year Trend Analysis of Actual Audit Hours for Completed Audits

By Type of Audit	FY2015	FY 2014	FY 2013	Avg.
Required	23%	25%	15%	21%
Risk-Based	24%	16%	18%	19%
Investigation	12%	13%	22%	16%
Consultation	14%	13%	12%	13%
Project	9%	9%	12%	10%
Follow-up Audit	7%	8%	4%	6%
Management's Risk Assessment	4%	6%	8%	6%
Special Request	7%	11%	9%	9%
Total	100%	101%	100%	100%

Summary - The focus on Risk-Based audits is determined by the campus auditor's risk analysis of the audit universe on each campus. As resources dedicated to Investigations declined, more resources were available for Risk-Based audit.   The increase in Required audits is mainly due to the system-wide audits of Complete College Tennessee Act data, which were conducted in FY 2014 and FY 2015.

By Functional Area	FY2015	FY 2014	FY 2013	Avg.
Financial Management	36%	29%	32%	32%
Institutional Support	20%	25%	22%	22%
Student Services	17%	13%	6%	12%
Instruction and Academic Support	9%	9%	18%	12%
Information Technology	9%	10%	9%	9%
Physical Plant	2%	0%	2%	1%
Research	2%	2%	3%	2%
Auxiliary	1%	1%	3%	2%
Athletics	3%	10%	5%	6%
Advancement	1%	1%	0%	1%
Total	100%	100%	100%	100%

Summary - Financial Management and Institutional Support has remained the two most often audited areas for three years. By the nature of the processes within Financial Management and Institutional Support, both areas cross over into many other functional areas. The increase in audit resources dedicated to Student Services is directly related to the audits of the Complete College Act data performed in FY 2014 and FY 2015. The spike in FY 2014 in Athletics is a result of Gifts-In-Kind audits requested by the Audit Committee.

Required Audits
Required audits include those of president's or Chancellor's expenses, certain athletic affiliates and cash and inventory counts to assist the Comptroller's auditors and National Automated Clearinghouse Association (NACHA) standards required by some banking agreements. Also included in this section are the audits of data used by the Tennessee Higher Education Commission in the State's higher education funding formula.

Chief Executive's Expenses
TTU	APSU President's Expenses
CoSCC	CoSCC President Expenses
MTSU	MSCC President Expenses
NaSCC	JSCC President's Expenses
PSCC	Chancellor's Expenses
VSCC	STCC President's Expenses
SWIA - IA	ChSCC President's Expenses
SWIA - IA	ClSCC President's Expenses

Athletic Affiliate
APSU	OVC Special Assistance/Student Athletic Fund
MTSU	Football Attendance Fall 2014
TSU	NCAA Student Assistance Fund
TTU	Student Assistance Funds

NACHA Compliance
UoM
ClSCC
WSCC

Other
ETSU   WETS-FM

Complete College Tennessee Act: *Audits of the data elements used in the CCTA funding formula were completed for all of the universities and community colleges during fiscal year 2015.*

Comptroller's Audit Assistance at Year-End
Most institutions performed audit procedures for cash and/or inventories to assist the Comptroller's auditors with year-end procedures.

Follow-up Reviews
Internal Auditors perform follow-up audits as needed on findings and recommendations in audit reports issued by the Comptroller of the Treasury (Division of State Audit) and Internal Audit offices. Reports may be,but are not generally issued for internal audit follow-ups, but are recorded on the Recommendation Tracking Logs.

Internal Audit Follow-up Reports
MTSU	Classroom Technology
MTSU	Dance Program
JSCC	IT Governance
JSCC	Cash Receipting

Risk-Based Audits

Risk-based audits are selected based on the internal auditor's annual risk analysis performed during the annual audit planning process. All identified auditable areas are subject to this risk analysis and therefore could be included in the annual audit plans.

ETSU	Natural History Museum
ETSU	Technology Access Fee
ETSU	Incident Readiness & Response
ETSU	Travel
TTU	Equipment
TTU	Accounts Receivable
UoM	Internal Controls-Risk Footprints-Advancement
UoM	Internal Controls-Risk Footprints-Research
UoM	Hotel Conference Center-Management Contract
UoM	Data Analytics-Payroll & Accounts Payable
UoM	Fixed Assets
UoM	Procurement Cards
UoM	International Travel
UoM	Lambuth Campus
UoM	Study Abroad Program & International Area
ChSCC	Athletic Eligibility
ChSCC	Athletic Financial Aid
ChSCC	IT Disaster Recovery Plan
ChSCC	Mail Services
ChSCC	Shipping and Receiving
ChSCC	Bank Reconciliations
JSCC	Emergency Preparedness
PSCC	Disbursements
PSCC	Accounts Payable
RSCC	Grants and Sponsored programs
TBR - IT	CISCC
TBR - IT	RSCC
TBR - IT	APSU
TBR - IT	TBR Research & Assessment Reporting Processes
TBR - IT	TSU
TBR - IT	STCC

Risk Based Audits (continued)
Focused reviews of specific areas of operations were performed at the Tennessee Colleges of Applied Technology. The areas included in the reviews for FY 2014 were Federal Financial Aid Consumer Information, Accounts Receivable and Director's expenses. The areas included in the reviews for FY 2013 were Financial Aid Awards and Eligibility, Return to Title IV, Pell and Lottery Reconciliations, Cash Receipts and Deposits and Accounts Receivable.

    TCAT - Knoxville - FY 2015
    TCAT - Jackson - FY 2015
    TCAT - McKenzie - FY 2015
    TCAT - Pulaski - FY 2015
    TCAT - McMinnville - FY 2015
    TCAT - Murfreesboro - FY 2015
    TCAT - Hartsville - FY 2015
    TCAT - Nashville - FY 2015
    TCAT - Memphis - FY 2015
    TCAT - Athens - FY 2013
    TCAT - Jacksboro - FY 2015
    TCAT - Paris - FY 2015
    TCAT - Dickson - FY 2015
    TCAT - Crossville - FY 2016
    TCAT - Shelbyville - FY 2016
    TCAT - Chattanooga - FY 2016
    TCAT - Livingston - FY 2016
    TCAT - Whiteville - FY 2016
    TCAT - Jackson - FY 2016
    TCAT - Dickson - FY 2016
    TCAT - Hartsville - FY 2016
    TCAT - Murfreesboro - FY 2016

Consulting Engagements
Internal auditors provide general consultation to management on various issues throughout the year and provide consultation in certain areas when requested and needed.

    MTSU   Consulting: Blue Print Solutions
    MTSU   Consulting: Tucker Theatre

    TSU   Consultation-Conflict of Interest
    TSU   Consultation - Research

    TTU   Nursing Consultation

    UoM   Confucius Institute
    UoM   Network Security Port Controls

    ChSCC   Continuing Education Business Processes - Staffing, Fees, Class Development

    DSCC   TBR/State IT Audit

    VSCC   TCPRA Bank Account

    SWIA - IT   Banner XE Up-grade and ODS Data Warehouse
    SWIA - IT   Business Process Management

Projects

Each internal audit office implemented electronic working papers and the related time is categorized under this category. In addition, other projects were undertaken at some campuses.

TSU	Quality Assessment Review
TTU	Procurement Card Reviews
TTU	Sponsored Program Review
UoM	W2 Process-Returned Addresses
ClSCC	Quality Assessment Review
PSCC	Compliance Assistance
PSCC	Security Administration and other TBR IT Audit Issues
PSCC	Affordable Care Act Issues
PSCC	RFP award process (banking, software etc.)
PSCC	French Exchange Program

Special Requests

Special request audits are performed upon the request of the board or management when circumstances indicate an audit is needed.

ETSU	Student/University Health Billing Practices
ETSU	PCI Compliance Readiness
UoM	Government Relations
ChSCC	Police Department Compliance Review
ClSCC	Title IV Compliance
ClSCC	OneSource - Workforce Development
MSCC	Timekeeping Review-Facilities
NaSCC	Cash Counts at TCATs & Satellite Campuses
NaSCC	Emergency Closing Review
NaSCC	Career Services - Salary Data
NeSCC	Theater Services
PSCC	Faculty Credentials
PSCC	NACHA Compliance Audit
STCC	Gymnasium Rentals
STCC	Motor Vehicle Procedures
STCC	Industrial Readiness Grants
STCC	Unemployment Expenditures
STCC	Tuition Statements

Tennessee Board of Regents
Summary of Investigation Activity
Fiscal Year 2015

Allegations

Allegations of fraud, waste, or abuse are generally reported to TBR System-wide Internal Audit through the unit's Report Fraud web site, email, or phone number, the Tennessee Comptroller's Fraud Hotline, a campus auditor, or management. In the initial evaluation of allegations, those that do not indicate fraud, waste, or abuse may be referred to other TBR or campus offices for review, e.g., legal, human resources, academic affairs, or may not be viable if insufficient information was provided to determine if an investigation is warranted.

Investigations

Viable allegations are investigated by SWIA or a campus internal auditor. Cases may be administratively closed when allegations are found to be unsubstantiated during investigations.

Allegations Received	Universities	Community Colleges	Technology Colleges	System Office	Total
Tennessee Comptroller	11	6	7	0	24
System-wide Internal Audit	23	32	12	0	67
Campus Internal Audit	22	8	1	0	30
Total Allegations	**56**	**46**	**20**	**0**	**122**
Referred, Duplicative, or Not Viable	14	29	19	0	62
Cases Opened	42	17	1	0	60

Investigations	Universities	Community Colleges	Technology Colleges	System Office	Total
Open Cases at July 1, 2014	15	8	4	0	27
Cases Opened	42	17	1	0	60
Total Cases	**57**	**25**	**5**	**0**	**87**
Cases Completed, Reports Issued	16	4	0	0	20
Cases Administratively Closed	24	10	2	0	36
Open Cases at June 30, 2015	**17**	**11**	**3**	**0**	**31**

Summary of Activity

During fiscal year 2015, SWIA received 122 allegations which resulted in 60 new investigation cases. Nineteen reports were issued representing the completion of 20 investigations. Investigations completed on 36 additional cases resulted in administrative closures. With 27 cases at the beginning of the fiscal year and the activity during the year, 31 cases remained open at the fiscal year end. Refer to the next page for a list of the reports issued during Fiscal Year 2015.

Tennessee Board of Regents
Summary of Investigation Activity
Fiscal Year 2015

Institution	Reports Issued
APSU	Outside Employment
ETSU	Art & Design Procurement and Study Abroad
ETSU	Bluegrass, Old Time, and Country Music
ETSU	Facilities Custodial Staff Conflict of Interest
ETSU	Intercollegiate Athletics Timekeeping
ETSU	University Advancement
MTSU	Athletics – Football Office
MTSU	Disabled Student Services
TTU	Use of Facilities for Personal Business
TTU	Hiring of Deputy Chief Information Officer**
UOM	Physical Plant Timekeeping
UOM	Lambuth Campus Testing Center
UOM	School of Music Leave Documentation
UOM	School of Music Business Office
UOM *	Rental Space in the University Holiday Inn
CHSCC *	Allegations Regarding the President's Hiring of the Chief Innovations Officer, Travel and Related Matters**
CHSCC	Class Attendance Policy
CHSCC	In-state Residency
STCC*	Hiring Allegation

* Investigated by System-wide Internal Audit.
** Multiple similar allegations that resulted in one investigative report.

Austin Peay State University
Year-End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned to Actual Hours	Planned to Actual Percentage	Date Completed	Current Status
Required	R	AT	OVC Spec Asst/Stud Ath Opp Fund		125	120	5	4%	August 2014	*Completed*
Required	F	FM	State Audit Follow-Up		100	40	60	60%	June 2015	*Completed*
Required	M	IS	Risk Assessment-Institutional Support		75	60	15	20%	May 2015	*Completed*
Required	M	FM	Risk Assessment-Ancillary and Auxilliary		75	60	15	20%	May 2015	*Completed*
Required	M	IA	Risk Assessment-Instr & Acad Support		75	60	15	20%	May 2015	*Completed*
Required	R	IS	Quality Assessment Review		25	0	25	100%		*Removed*
Required	R	SS	CCTA Funding Formula-Completion	FN 1	75	60	15	20%	July 2014	*Completed*
Required	R	SS	CCTA Funding Formula-Transfers & Other	FN 2	75	70	5	7%	May 2015	*Completed*
Brought forward	S	SS	Higher Education Act Compliance		225	225	0	0%		*In Progress*
Special Request	S	IA	Study Abroad Programs		250	0	250	100%		*Schecduled*
Investigation	I	IS	Investigation 15-001		150	60	90	60%	May 2015	*Completed*
Consulting	C	FM	UBIT and Sales Tax reporting		200	60	140	70%		*Removed*
Consulting	C	IS	General Consultation	FN 3	300	450	(150)	-50%		*In Progress*
Ongoing	P	FM	Procurement Card-Review		150	200	(50)	-33%		*In Progress*
Ongoing	P	FM	Travel Claim Review-Ongoing		300	350	(50)	-17%		*In Progress*
1	A	PP	Emergency Preparedness		150	0	150	100%		*Removed*
			Totals		2350	1815				

Estimate-Hours Available For Audits = 2335 (2 audit staff)

T--Tie

TBD-To Be Determined

Audit Types:	Functional Areas:	
R - Required	AD - Advancement	Status:
A - Risk-Based (Assessed)	AT - Athletics	Scheduled
S - Special Request	AX - Auxiliary	In Progress
I - Investigation	FM - Financial Management	Completed
P - Project (Ongoing or Recurring)	IA - Instruction & Academic Support	Removed
M - Management's Risk Assessment	IS - Institutional Support	
C - Consultation	IT - Information Technology	
F - Follow-up Review	PP - Physical Plant	
	RS - Research	
	SS - Student Services	

Footnotes:

[1] Original budget hours included previous year hours

[2] Overestimated time to complete

[3] Provided consulting on several issues, including tax issues, to APSU administration

East Tennessee State University
Year-End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned to Actual Hours	Percentage	Date Completed	Current Status
Required	R	SS	CCTA Funding Formula-Completion (2013 Data)		100	35	65	65%	July 2014	*Completed*
Required	R	SS	CCTA Funding Formula-Transfers & Other		200	47	153	77%	May 2015	*Completed*
Required	R	FM	Cash Counts/Inventories		40	30.5	10	24%	June 2015	*Completed*
Required	R	FM	WETS-FM		250	158	92	37%	December 2014	*Completed*
Required	R	IT	NACHA Web Transactions Data Security	FN 13	125	0	0	100%	-	*Removed*
	F	FM	State Audit Follow-Up	FN 8	20	0	0	100%	-	*Removed*
	F	IS	Internal Audit Follow-Ups		425	422.5	3	1%	Various	*Completed*
	M	FM	Risk Assessments		40	8.5	32	79%	May 2015	*Completed*
Brought forward	I	IA	Investigation 14-02	FN 3	50	122	(22)	-22%	November 2014	*Completed*
Brought forward	I	IA	Investigation 14-04		50	3	47	94%	July 2014	*Completed*
Brought forward	I	AT	Investigation 14-05	FN 10	150	223.5	27	11%	November 2014	*Completed*
	I	IA	Investigation 15-01			20.5	(6)	-37%	January 2015	*Completed*
	I	SS	Investigation 15-02			14.5	6	28%	October 2014	*Completed*
	I	IS	Investigation 15-03	FN 6		33.5	2	4%	May 2015	*Completed*
	I	PP	Investigation 15-04	FN 6		37.5	3	6%	May 2015	*Completed*
	I	IA	Investigation 15-05	FN 12		357	(7)	-2%	May 2015	*Completed*
	I	IA	Investigation 15-06	FN 12		13.5	7	33%	August 2015	*In Progress*
	I	IS	Unscheduled Investigations	FN 11	100		0	100%	-	*Removed*
	C	IS	General Consultation		75	41	34	45%	Ongoing	*Completed*
	C	IT	IT Consulting		75	177.5	(103)	-137%	Ongoing	*Completed*
	P	IT	PCI Compliance Scans	FN 14	250	0	0	100%	-	*Removed*
	P	IS	Automated Workpapers Project			51	24	32%	Ongoing	*Completed*
Special request	S	SS	Student/University Health Billing Practices		250	238	12	5%	June 2015	*Completed*
Special request	S	AD	University Advancement	FN 2		110.5	90	45%	June 2015	*Completed*
Special request	S	IT	PCI Compliance Readiness Audit	FN 4		210.5	(11)	-5%	March 2015	*Completed*
Special request	S	IT	Third Party Server Audit	FN 5		132.5	18	12%	July 2015	*In Progress*
Special request	S	IA	Medical Library	FN 12		56.5	119	68%	August 2015	*In Progress*
Brought forward	A	FM	Travel	FN 7	250	376.5	24	6%	June 2015	*Completed*
Brought forward	A	IS	Natural History Museum	FN 1		14	11	44%	October 2014	*Completed*
1T	A	AD	Professional Development	FN 6	200	0	0	100%	-	*Removed*
1T	A	FM	Technology Access Fee		200	175.5	25	12%	June 2015	*Completed*
1T (IT)	A	IT	Backup & Recovery of OIT Processes & Data	FN 5	200	0	0	100%	-	*Removed*
1T (IT)	A	IT	Incident Readiness & Response		200	181	19	10%	September 2014	*Completed*
2	A	AT	NCAA Compliance		300	155	145	48%	October 2015	*In Progress*
2 (IT)	A	IT	Web Application Security		150	54	96	64%	August 2015	*In Progress*
3	A	FM	Contracts & Agreements		250	135	115	46%	July 2015	*In Progress*
3 (IT)	A	IT	OIT Policies & Procedures Review		175	193.5	(19)	-11%	July 2015	*In Progress*
4T	A	SS	Financial Aid Administration		300	120	180	60%	August 2015	*In Progress*
4T	A	PP	Physical Plant	FN 9	300	0	0	100%	-	*Removed*
4T	A	FM	Cash Receipts/Bursar	FN 2	250	0	0	100%	-	*Removed*
			Totals		4975	3948.5				

Estimate-Hours Available For Audits = 4385 (2 staff auditors and 1 IT auditor for 12 months plus one staff auditor for 9 months)
T--Tie
TBD-To Be Determined

Audit Types:	Functional Areas:	Status:
R - Required	AD - Advancement	Scheduled
A - Risk-Based (Assessed)	AT - Athletics	In Progress
S - Special Request	AX - Auxiliary	Completed
I - Investigation	FM - Financial Management	Removed
P - Project (Ongoing or Recurring)	IA - Instruction & Academic Support	
M - Management's Risk Assessment	IS - Institutional Support	
C - Consultation	IT - Information Technology	
F - Follow-up Review	PP - Physical Plant	
	RS - Research	
	SS - Student Services	

Footnotes:
FN 1 - Audit plan due prior to end of fiscal year. Audit not completed by 6/30/14 as anticipated.
FN 2 - Cash Receipts Audit was removed from the plan due to a University Advancement special request.
FN 3 - Budget hours were exceeded due to concerns from management that arose during the audit report process resulting in numerous revisions.
FN 4 - Previous audit, named Network Security, was changed to PCI Compliance Readiness Audit to properly clarify the scope of the audit. This PCI audit was requested by IT management because of the new PCI requirements effective 1/1/15.
FN 5 - Backup & Recovery of OIT Processes removed due to a Third Party Server audit special request. The third party server audit was requested by the ITGC committee due to previous concerns that arose in the past and the high risk associated with outside vendors.
FN 6 - Professional Development audit removed due to two investigations.
FN 7 - Increased travel audit hours due to a change in audit personnel
FN 8 - Removed since there were no State Audit findings.
FN 9 - Physical Plant audit was removed due to vacant staff position for approximately 3 months
FN 10 - Original budget hours were exceeded because of multiple issues that arose during the course of the review.
FN 11 - Hours budgeted for unscheduled investigations were reallocated to the four new investigations opened in FY 2015.
FN 12 - The Medicial Library special request audit and two investigations were added since the January 31, 2015 audit plan revision. No schedule audits were available to remove.
FN 13 - The requirement for the NACHA Web Transaction Data Security audit was completed with the PCI Compliance Readiness Audit.
FN 14 - PCI Compliance scans were performed during the PCI Compliance Readiness Audit and the Third Party Server Audit.

Middle Tennessee State University
Year-End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned to Actual Hours	Percentage	Date Completed	Current Status
Requested by Management	R	FM	Cash Counts	FN 5, FN 6	250	248	2	1%	June 2015	Completed
Requested by Management	R	FM	Year-End Inventory Observations FY2014		190	190	0	0%	August 20, 2014	Completed
Brought Forward, Required	R	SS	Funding Formula-Completion 2013 Data	FN 1	13	13	0	0%	July 24, 2014	Completed
Brought Forward, Required	R	SS	Funding Formula-Transfers & Others		200	163	37	19%	May 13, 2015	Completed
Required	M	IS	Risk Assessment		50	51	(1)	-2%	May 27, 2015	Completed
	F	FM	State Audit Follow-Up or Assistance		50	8	42	84%	June 2015	Completed
Project Added	P	IS	Project Electronic Work Papers	FN 5	250	139	111	44%	June 2015	Completed
Required	R	AT	Football Attendance Fall 2014	FN 9	237	237	0	0%	February 9, 2015	Completed
Management Request	P	FM	Special Reviews (Cash Shortage		50	0	50	100%	June 2015	*Scheduled*
Consulting	C	FM	Assisting with President's Expense Audit		50	36	14	28%	June 2015	Completed
Consulting	C	IS	General Consultation	FN 5, FN 10	100	88	12	12%	June 2015	Completed
Consulting	C	IS	Consulting: Blue Print Solutions	FN 2	200	190	10	5%	June 2015	Completed
Consulting	C	IA	Consulting: Tucker Theatre	FN 5, FN 7	220	190	30	14%	June 2015	Completed
Follow-up	F	IS	Follow-up of Prior Recommendations		45	0	45	100%	n/a	*Removed (5)*
Brought Forward, Follow-	F	IT	Follow-up: Classroom Technology		7	8	(1)	-14%	August 6, 2014	Completed
Follow-up	F	IA	Follow-up: Dance Program	FN 5	293	293	0	0%	March 30, 2015	Completed
Brought forward	I	SS	Investigation 14-02	FN 10, FN 11	250	233	17	7%	June 2015	*In Progress*
Brought forward	I	SS	Investigation 12-04	FN 1	60	34	26	43%	May 20, 2015	Completed
Brought forward	I	IA	Investigation 13-01	FN 1	60	22	38	63%	June 30, 2015	Completed
Brought forward	I	IS	Investigation 13-03	FN 1	48	48	0	0%	February 27, 2015	Completed
Brought forward	I	PP	Investigation 13-04	FN 1	60	9	51	85%	June 2015	*In Progress*
Special Request	I	IS	Unscheduled Investigations	FN 1	0	0	0	0%	n/a	*Removed (1)*
Investigation	I	IS	Investigation 15-01	FN 1, FN 5	150	84	66	44%	June 2015	*In Progress*
Investigation	I	IS	Investigation 15-02	FN 1, FN 5	150	101	49	33%	June 2015	*In Progress*
Investigation	I	AT	Investigation 15-03	FN 9	30	30	0	0%	March 31, 2015	Completed
Investigation	I	IA	Investigation 15-04	FN 9	75	143	(68)	-91%	June 2015	*In Progress*
Investigation	I	IA	Investigation 15-05	FN 9	32	23	9	28%	June 23, 2015	Completed
Investigation	I	IA	Investigation 15-06	FN 13	0	62	(62)	100%	August 2015	*In Progress*
Requested by Management	R	FM	Year-End Inventory Observations FY2015	FN 14	0	60	(60)	100%	August 2015	*In Progress*
Brought forward, Special Request	S	IA	Pcard Departmental Review	FN 3	30	16	14	47%	June 2015	*In Progress*
Special Request	S	IS	Assisting a Dept. with Caller Complaint	FN 4	40	42	(2)	-5%	October 31, 2014	Completed
Special Request	S	RS	Confucius Institute	FN 8	200	80	120	60%	June 2015	*In Progress*
1	A	FM	Rental Property Management	FN 12	580	657	(77)	-13%	June 2015	*In Progress*
2	A	FM	Food Service Commissions	FN 5	0	0	0	0%	n/a	*Removed (5)*
3T	A	AT	Athletic Concessions Revenue	FN 5	0	0	0	0%	n/a	*Removed (5)*
3T	A	FM	Blue Print Solutions	FN 2	0	0	0	0%	n/a	*Removed (2)*
4T	A	RS	Research Sponsored Programs	FN 5	0	0	0	0%	n/a	*Removed (5)*
4T	A	AT	Athletic Camps and Clinics	FN 5	0	0	0	0%	n/a	*Removed (5)*
5T	A	AD	Foundation	FN 5	0	0	0	0%	n/a	*Removed (5)*
5T	A	AD	Development	FN 5	0	0	0	0%	n/a	*Removed (5)*
6T	A	AT	Athletics (Eligibility)	FN 5	0	0	0	0%	n/a	*Removed (5)*
			Totals	FN 15	3970	3498				

Estimated Hours Available For Audits = 3,860 which excludes 1,200 contract audit hours. (4 audit staff) Don't expect to use all the 1,200 contract audit hours.
T--Tie   TBD-To Be Determined

Audit Types: Functional Areas:
R - Required   AD - Advancement
A - Risk-Based (Assessed)   AT - Athletics
S - Special Request   AX - Auxiliary
I - Investigation   FM - Financial Management
P - Project (Ongoing or Recurring)   IA - Instruction & Academic Support
M - Management's Risk Assessment   IS - Institutional Support
C - Consultation   IT - Information Technology
F - Follow-up Review   PP - Physical Plant
                                                RS - Research
                                                SS - Student Services

Footnotes:
(1) Audit hours were reallocated from unscheduled investigations to the 5 audit projects that were brought forward from FY2014 and for new investigations started in FY2015.
(2) Audit project canceled since providing consulting for new cash receipting system the department is implementing. Project brought forward from FY 2014.
(3) Special request from management to assist with Pcard Departmental Review that was brought forward from FY 2014.
(4) Assisted another department with complaints received from phone call. The caller kept contacting the audit department.
(5) Planned project canceled to allocate the audit hours to another project that was requested by management or taking additional audit hours.
(6) There were not enough hours included in the original budget to perform surprise counts at each location and for FY 2015 counts.
(7) Assisted department with procedures for cash receipting and recording of expenses for a new computerized ticketing system.
(8) Requested by management and the funding agency. Audit hours increased to complete planned work.
(9) Investigation added and audit hours reallocated from time not used for completed and/or canceled projects.
(10) Audit hours reduced to reallocated hours to investigation requiring additional time.
(11) Project requiring more time to complete due to disorder of records.
(12) Project requiring more time to complete due to changes in personnel and volume of detailed documentation.
(13) Investigation added on May 28, 2015.
(14) Project added for FY2015 year-end inventory observations. Forgot to add project at April 30, 2015 revision.
(15) Estimated audit hours not met because leave, training and administrative time exceeded estimated time budget.

Tennessee State University
Year-End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Budget to Actual Hours	Percentage	Date Completed	Current Status
Required by Athletic Affiliate	R	AT	NCAA Student Assistance Fund		125	125	0	0%	September 2014	*Completed*
Required by State Audit	F	IT	State Audit Follow-Up 2014	FN 1	175	38	137	78%	July 2015	*Removed (1)*
	M	SS	Risk Assessment-Student Services		50	20	30	60%	May 2015	*Completed*
	M	PP	Risk Assessment-Physical Plant		50	20	30	60%	May 2015	*Completed*
	M	RS	Risk Assessment-Research		50	20	30	60%	May 2015	*Completed*
	P	IS	Quality Assessment Review		25	25	0	0%	February 2015	*Completed*
Brought forward	I	IS	Investigation 14-02		65	65	0	0%	May 2015	*Completed*
	I	IS	Investigation 15-01		100	85	15	15%	August 2015	*Completed*
	I	SS	Investigation 15-02		100	98	2	2%	November 2014	*Completed*
	I	IA	Investigation 15-03		300	270	30	10%	August 2015	*In Progress*
	I	IS	Investigation 15-04		20	20	0	0%	January 2015	*Completed*
	I	IS	Investigation 15-05		185	85	100	54%	August 2015	*In Progress*
	I	SS	Investigation 15-06		500	450	50	10%	September 2015	*In Progress*
	P	FM	Cash Counts		10	10	0	0%	June 2015	*Completed*
	I	FM	Unscheduled Investigations		5	5	0	0%	June 2015	*N/A*
	C	FM	Consultation-Conflict of Interest		100	105	(5)	-5%	June 2015	*Completed*
	C	IA	General Consultation		305	320	(15)	-5%	June 2015	*Completed*
Required by TBR	R	SS	CCTA Funding Formula-Completion		225	215	10	4%	July 2014	*Completed*
Required by TBR	R	SS	CCTA Funding Formula-Transfers & Other		250	240	10	4%	May 2015	*Completed*
1	A	IS	Evidence Room	FN 2	25	25	0	0%	June 2015	*Removed*
2	A	IT	Disaster Recovery		0	0	0	N/A	June 2015	*Removed*
3	A	FM	Payroll	FN 2	0	0	0	N/A	May 2015	*Removed*
4	A	SS	Financial Aid	FN 1	100	25	75	75%	April 2015	*Removed*
Brought forward	R	IS	Human Resources		75	45	30	40%	June 2015	*In Progress*
Brought forward	F	IT	State Audit Follow-Up FY 2013		25	17	8	32%	July 2014	*Completed*
	C	RS	Consultation - Research		20	20	0	0%	April 2015	*Completed*
			Totals		2885	2348				

Estimate-Hours Available For Audits = 2720 (2 audit staff)
T--Tie
TBD-To Be Determined

Audit Types:	Functional Areas:	Status:
R - Required	AD - Advancement	Scheduled
A - Risk-Based (Assessed)	AT - Athletics	In Progress
S - Special Request	AX - Auxiliary	Completed
I - Investigation	FM - Financial Management	Removed
P - Project (Ongoing or Recurring)	IA - Instruction & Academic Support	
M - Management's Risk Assessment	IS - Institutional Support	
C - Consultation	IT - Information Technology	
F - Follow-up Review	PP - Physical Plant	
	RS - Research	
	SS - Student Services	

Footnotes:
(1) The FY 2014 State Audit was not completed as of June 30, 2015; therefore, this audit will be completed in FY 2016.
(2) Due to several significant unplanned investigations, these audits were removed, and will be considered for the FY 2016 audit plan.

Tennessee Tech University
Year-End Status Report of the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned vs. Actual		Date Completed	Status
							Hours	Percentage		
Required	R	FM	President's Expenses		200	243.5	(44)	-22%	October 2014	Completed
Required	R	SS	CCTA Funding Formula-Completion (2013 Data)		120	102.5	18	15%	July 2014	Completed
Required	R	SS	CCTA Funding Formula-Transfers & Other	FN 4	95	79.5	16	16%	May 2015	Completed
Required	F	FM	State Audit Follow-Up	FN 4	60	75	(15)	-25%	December 2014	Completed
Required	M	RS	Risk Assessment-Research		25	18	7	28%	May 2015	Completed
Required	M	SS	Risk Assessment-Student Services		25	30	(5)	-20%	May 2015	Completed
Required	M	IS	Risk Assessment-Institutional Support		35	15	20	57%	May 2015	Completed
Required	M	IS	Risk Assessment-Enterprise-wide		35	22	13	37%	May 2015	Completed
Required	F	IS	Follow-Up to Internal Audits		50	42	8	16%	May 2015	Completed
Required	I	IS	Unscheduled Investigations	FN 5	65	49	16	25%	June 2015	Completed
Required	I	IS	Investigation 15-01	FN 5	5	5	0	0%	October 2014	Completed
Required	I	IS	Investigation 15-02	FN 5	8.5	8.5	0	0%	November 2014	Completed
Required	I	IS	Investigation 15-03	FN 5	1.5	1.5	0	0%	December 2014	Completed
Required	I	IA	Investigation 15-04	FN 5	45	45	0	0%	April 2015	Completed
Required	I	IT	Investigation 15-05 & 15-06	FN 5	60	49	11	18%	June 2015	Completed
Required	I	IT	Investigation 15-07	FN 5	10	10	0	0%	April 2015	Completed
Required	I	IT	Investigation 15-08	FN 5	5	5	0	0%	April 2015	Completed
Required	I	IS	Investigation 15-09	FN 5	0	1	(1)	0%	June 2015	Completed
Required	I	FM	Investigation 15-10	FN 5	0	15	(15)	0%	TBD	In Progress
Required	C	IS	General Consultation	FN 11	25	8	17	68%	June 2015	Completed
Mgmt Req	C	IA	Nursing Consultation	FN 11	60	167	(107)	-178%	June 2015	Completed
Brought Forward	A	FM	Equipment	FN 2	360	360	0	0%	April 2015	Completed
Brought Forward	A	IT	Payment Card Industry	FN 4	100	56	44	44%	TBD	In Progress
Required	R	FM	Inventory Observations	FN 3	90	144	(54)	-60%	August 2014	Completed
Required	R	AT	Student Assistance Funds		75	73	2	3%	August 2014	Completed
Mgmt Req	P	FM	Procard Reviews	FN 8	710	687	23	3%	June 2015	Completed
Mgmt Req	P	RS	Sponsored Program Review	FN 8	300	102.5	198	66%	June 2015	Completed
	P	IS	Electronic Work Papers	FN 6	120	103	17	14%	June 2015	Completed
1	A	IS	Minors on Campus	FN 1, FN 4	250	101	149	60%	TBD	In Progress
2	A	FM	Accounts Receivable	FN 2	440	452	(12)	-3%	June 2015	Completed
3	A	FM	Receipts	FN 4, FN 10	0					Removed
3T, 10	A	FM	Procard	FN 7	0					Removed
Required	M	AD	Risk Assessment-Advancement	Fn 9	0					Removed
			Totals		**3375**	**3070**				

Estimate-Hours Available For Audits = 3040 (2 audit staff and part of Administrative Associate's time) - see note 8
T--Tie
TBD-To Be Determined

Audit Types:	Functional Areas:	Status:
R - Required	AD - Advancement	S - Scheduled
A - Risk-Based (Assessed)	AT - Athletics	I - In Progress
S - Special Request	AX - Auxiliary	C - Completed
I - Investigation	FM - Financial Management	R - Removed
P - Project (Ongoing or Recurring)	IA - Instruction & Academic Support	
M - Management's Risk Assessment	IS - Institutional Support	
C - Consultation	IT - Information Technology	
F - Follow-up Review	PP - Physical Plant	
	RS - Research	
	SS - Student Services	

Footnotes:
1 Minors on Campus audit was added to the universe at the President's request and ranked #1 after the risk analysis revision.
2 The Equipment and A/R audits have required significantly more time. They are significantly more complicated than in years past, requiring much more testwork.
3 Many Inventory Observation hours were spent in June 2015, working toward the Inventory Observations audit that will be published in August 2015.
4 The anticipated completion date has changed.
5 As investigations surface, the hours spent on specific investigations reduce the unscheduled investigations budgeted hours and are added to the specific investigation.
6 Served on team to evaluate automated work papers for TBR auditors group. It was an estimated budget number; the actual time spent was less due to other priorities.
7 Risk analysis revision (due to marked increase in number and depth of reviews) moved Procard Audit from #3T to #10.
8 Adm. Ass has been able to spend less time on administrative duties than anticipated, allowing more time for Procard and other needed reviews and adding to our available audit hours-up to 3040 from 2490.
9 This area's ERM was rescheduled to 2015-16 because of actual and anticipated key personnel changes.
10 This area was removed because increases in equipment, accounts receivable, and other audits' hours left us without sufficient time to complete the audit in 2014-15.
11 A general Nursing consultation evolved into a more significant project, and not as many general consulting hours were needed.

University of Memphis
Year End Status report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned to Actual Hours	Percentage	Date Completed	Current Status
1T	A	AD	Risk Assessment-Review of Internal Controls-Risk Footprints-Advancement	FN 4	125	124	1	1%	October 2014	Completed
1T	A	IT	Risk Assessment-Review of Internal Controls-Risk Footprints-Information Technology	FN 10	0		0		May 2015	Canceled
1T	A	RS	Risk Assessment-Review of Internal Controls-Risk Footprints-Research[4]		185	182	3	2%	January 2015	Completed
2	A	AX	Hotel Conference Center-Management Contract (Holiday Inn & Fogelman)		300	290	10	3%	January 2015	Completed
3T	A	FM	Data Analytics-Payroll & Accounts Payable (Continuous)	FN 11	350	356	(6)	-2%	June 2015	Completed
3T	A	FM	Fixed Assets (Continuous)		330	352	(22)	-7%	June 2015	Completed
3T	A	FM	Procurement Cards (Continuous)		350	378	(28)	-8%	June 2015	Completed
4T	A	FM	International Travel	FN 4	120	115	5	4%	October 2014	Completed
4T	A	FM	Lambuth Campus	FN 7	250	272	(22)	-9%	March 2015	Completed
5	A	IT	Information Technology-Data Security-Mobile Devices (Laptop Encryrption, etc)	FN 6	0		0			Canceled
6	A	IT	Information Technology-PCI Compliance (Credit Card Processing)	FN 6	0		0			Canceled
7	A	SS	Study Abroad Program & International Area		350	356	(6)	-2%	May 2015	Completed
8	A	AT	Athletics Ticket Distribution - Compliance with TBR and UOM Polcies	FN 12	250	282	(32)	-13%	August 2015	In Progress
	C	RS	Confucius Institute	FN 9	120	115	5	4%	July 2015	Completed
	C	IT	Network Security Port Controls	FN 8	120	111	9	8%	January 2015	Completed
	S	FM	Government Relations	FN 8	120	117	3	3%	December 2014	Completed
	F	IT	Follow-up State IT Audit	FN 5	250	252	(2)	-1%	May 2015	Completed
	C	IS	General Consultation (includes attorney client projects)	FN 1	400	385	15	4%		Completed
	C	IT	General Consultation - IT	FN 2	500	478	22	4%		Completed
	F	FM	Follow-up FY14 Audits		130	115	15	12%	June 2015	Completed
	R	FM	Diversity Funds Audit (moved to FY16)	FN 13	25	25	0	0%	August 2015	In Progress
	F	FM	Follow-up State Audit Findings FY13		100	108	(8)	-8%	July 2014	Completed
	M	FM	Risk Assessment-Financial Management		80	86	(6)	-8%	May 2015	Completed
	P	FM	W2 Process-Returned Addresses (Mang Request)		80	76	4	5%	June 2015	Completed
	R	FM	Inventory Observation for State Auditors (Mang Request)		80	67	13	16%	August 2015	In Progress
	R	FM	Cash Counts for State Auditors (Mang Request)	FN 3	120	118	2	2%	June 2015	Completed
	R	IT	Information Technology-ACH (Bank Contract)-NACHA		80	83	(3)	-4%	June 2015	Completed
	R	SS	CCTA Funding Formula-Part 3		150	156	(6)	-4%	May 2015	Completed
	I	IS	Unscheduled Investigations		400	402	(2)	-1%		
	I	PP	15-001		20	16	4	20%	Sept 2014	Completed
	I	PP	15-002		5	5	0	0%	Sept 2014	Completed
	I	IA	15-003		45	40	5	11%	Nov 2014	Completed
	I	IS	15-004		5	5	0	0%	Sept 2014	Completed
	I	IA	15-005		100	86	14	14%	March 2015	Completed
	I	IA	15-006		5	13	(8)	-160%	December 2014	Completed
	I	IA	15-007		120	135	(15)	-13%	April 2015	Completed
	I	IS	15-008		35	28	7	20%	June 2015	Completed
	I	PP	15-009		60	54	6	10%	June 2015	Completed
	I	IA	15-010		20	20	0	0%	June 2015	Completed
			Totals		5,365	5,401				

Estimate-Hours Available For Audits = 5,320 (4 audit staff)(The Audit Plan is being evaluated by Management and adjustments will be made later in the fiscal year)

T--Tie

NOTE: UOM was transitioning to a new President when the FY2015 audit plan was prepared - Subject to Revision During the Fiscal Year

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status:
Scheduled
In Progress
Completed
Removed
Cancelled

Footnotes:
[1] Additional hours added to consultation per Management request.
[2] Additional hours added to IT consultation per Management request to provide assistance with State IT audit.
[3] Cash count process added per Management request to assist State Auditors.
[4] Audit actual hours were lower than estimated. Hours allocated to other audits and projects requested by Management.
[5] Additional hours per Management request for follow-up to State IT audit.
[6] Audit canceled. Per Management request IT hours allocated to follow-up with State IT audit.
   These IT areas were partially covered by the state IT audit.
[7] Scope expanded to inlcude additional areas per Management request.
[8] Special request from Management.
[9] Special request from Management due to audit request from outside funding source. Moved to Legal. IA will provide assistance.
[10] All areas on the UOM IT risk assessment were audited by the State IT Audit group. (very broad & comprehensive IT audit by State IT audit group)
   UOM Management agreed & hours reallocated to other audits & projects.
[11] Hours reallocated to other audits and projects per Management request.
[12] Scope expanded to include other ticket office areas. Change in management.
[13] Diversity Fund audit required by TBR.

Chattanooga State Community College
Year-End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned to Actual		Date Completed	Current Status
							Hours	Percentage		
Required	F	FM	State Audit Follow-Up	FN 1	30	4	26	87%	June 2015	Completed
Required	R	SS	CCTA Funding Formula-Completion		40	40	0	0%	July 2014	Completed
Required	R	SS	CCTA Funding Formula-Transfers & Other	FN 2	125	91	34	27%	May 2015	Completed
Required	M	SS	Risk Assessment-Student Services & Physical Plant		40	30	10	25%	May 2015	Completed
Special Request	P	IS	Special Project - Electronic Workpapers		50	50	0	0%	December 2014	Completed
Special Request	P	IS	Special Project - Audit Software		140	125	15	11%	June 2015	Completed
Special Request	S	IS	Volkswagon Academy		160	115	45	28%	August 2015	In Progress
	R	FM	Year End Cash Counts and Inv FYE 2014		8	7	1	13%	July 2014	Completed
	R	FM	Year End Cash Counts and Inv FYE 2015		22	10	12	55%	July 2015	In Progress
	I	IS	Investigation 2014- 03		23	23	0	0%	July 2014	Completed
	I	IS	Investigation 2015-01		43	43	0	0%	June 2015	Completed
	I	IS	Investigation 2015-02		41	29	12	29%		In Progress
	I	IS	Investigation 2015-03		37	37	0	0%	April 2015	Completed
	I	IS	Investigation 2015-04		16	16	0	0%	June 2015	Completed
	C	IS	General Consultation		120	96	24	20%	June 2015	Completed
	F	IS	Follow-up Reviews	FN 3	100	47	53	53%	TBD	Completed
Management Request	S	PP	Police Department Compliant Review		80	80	0	0%	December 2014	Completed
Management Request	S	IT	NACHA Security Audit		0	0	0	0%	March 2015	Removed
Management Request	C	IA	Continuing Education Business Processes - Staffing, Fees, Class Development		120	145	(25)	-21%	August 2014	Completed
Brought forward	A	AT	Athletic Eligibility		85	85	0	0%	December 2014	Completed
Brought forward	A	AT	Athletic Financial Aid		15	25	(10)	-67%	September 2014	Completed
Brought forward	A	IT	IT Disaster Recovery Plan Audit		20	20	0	0%	July 2014	Completed
1	A	IS	Human Resources		0	0	0	0%	June 2015	Removed
2T	A	FM	Accounts Receivable		0	0	0	0%	August 2015	Removed
2T	A	FM	Payroll		0	0	0	0%	June 2015	Removed
3T	A	PP	Mail Services		80	75	5	6%	October 2014	Completed
3T	A	PP	Shipping and Receiving		60	60	0	0%	December 2014	Completed
3T	A	FM	Bank Reconciliations		150	157	(7)	-5%	May 2015	Completed
			Totals		1605	1410				

Estimate-Hours Available For Audits = 1605 (1 audit staff + .5 audit staff. Staff position vacant from September 1, 2014 - January 5, 2015 and June 1 - June 30, 2015)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status:
Scheduled
In Progress
Completed
Removed

Footnotes:
(1) No audit findings, time not needed.
(2) Audit required less hours than expected.
(3) Less time needed as no issue required follow-up audit reports.

Cleveland State Community College
Year-End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned to Actual		Date Completed	Current Status
							Hours	Percentage		
	F	SS	Audit Follow-Up		30	25	5	17%	July 2014	*Completed*
	M	SS	Risk Assessment-Student Services		45	45	0	0%	May 2015	*Completed*
	M	IS	TCAT Risk Assessment-Enterprise-wide		30	20	10	33%	February 2015	*Completed*
	P	IS	Quality Assessment Review		25	25	0	0%	June2015	*Completed*
	I	IS	Unscheduled Investigations		25	25	0	0%	TBD	*In Progress*
Special Request	S	SS	Title IV Compliance		200	225	(25)	-13%	April 2015	*Completed*
	C	IS	General Consultation		50	60	(10)	-20%	June 2015	*Completed*
Required	R	SS	CCTA Funding Formula-Completion		200	150	50	25%	July 2014	*Completed*
Required	R	SS	CCTA Funding Formula-Transfers & Other	Fn 4	200	100	100	50%	June 2015	*Completed*
Required	R	IS	Nacha Audit		125	120	5	4%	May 2015	*Completed*
1T	A	FM	Cash Counts	FN 1	0	0	0	0%	October 2014	*Removed*
1T	A	FM	Maintenance/Tuition and Related Fees	FN 2	0	0	0	0%	September 2014	*Removed*
Special Request	S	IA	OneSource (Workforce Development)	FN 2	125	125	0	0%	February 2015	*Completed*
Special Project	P	IS	Special Project Audit Software	FN 3	75	80	(5)	-7%	June 2015	*In Progress*
Special Project	p	FM	State Audit Year End 2015	FN 5		35	(35)	0%	June 2015	*In PRogress*
			Totals		1130	1035				

Estimate-Hours Available For Audits = 1205 (1 audit staff)
T--Tie
TBD-To Be Determined

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status:
Scheduled
In Progress
Completed
Removed

Footnotes:
(1) Significant increase in Administrative time because of office relocation, which resulted in a decrease in available audit time for the year.
(2) Due to Special request by President one audit added and one audit removed
(3) Automated workpapers implementation
(4) Audit required less time than anticipated
(5) Failed to put on plan

Columbia State Community College
Year-End Status Report of the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit	Planned Hours	Actual Hours	Planned vs. Actual Hours	Planned vs. Actual Percentage	Date Completed	Status
Required	R	SS	CCTA Funding Formula-Completion	69	69	0	0%	July 30, 2014	Completed
Required	R	FM	CoSCC President Expenses FYE 6/30/14	218	218	0	0%	October 28, 2014	Completed
Required	R	SS	CCTA Funding Formula-Other Data	160	152	8	5%	May 12, 2015	Completed
Brought Forward	M	IS	CoSCC Risk Assessment FY2014	14	14	0	0%	July 17, 2014	Completed
Required	M	IS	CoSCC Risk Assessment FY2015	50	17	33	66%	June 2, 2015	Completed
Required	M	IS	Hohenwald Risk Assessment	18	18	0	0%	February 10, 2015	Completed
Required	M	IS	Pulaski Risk Assessment	21	21	0	0%	February 9, 2015	Completed
	C	IS	General Consultation	50	21	29	58%	*June 30, 2015*	Completed
Project Added	P	IS	Project Electronic Work Papers	45	42	3	7%	*June 30, 2015*	Completed
Project Added	S	FM	Year End Cash & Inventory Spot Counts	32	10	22	69%	*June 30, 2015*	Completed
			Totals	**677**	**582**				

Audits were performed by MTSU Office of Audit and Consulting Services through an audit services contract from July 1, 2014 - May 13, 2015 for a maximum of 600 hours.
Project Electronic Work Papers and Year End Cash & Inventory Spot Counts were added to the plan by CoSCC internal auditor after the May 13, 2015 transition from the MTSU contract

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status
C - Completed
I - In Progress
S - Scheduled, not Started
R - Removed
X - Cancelled

Dyersburg State Community College

Report on Year-End Status of the Internal Audit Plan

Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned to Actual Hours	Percentage	Date Completed	Current Status
Brought Forward	I	IA	DSCC-INV1303-FU-Nursing Donation-03052013		20	19	-1	-5%	March 2015	Completed
Required	R	SS	DSCC-IAR-CCTA Funding Formula-Transfers & Other-04012015		150	150.5	0.5	0%	February 2015	Completed
Special Request	S	IA	DSCC - IAR-Faculty Sick Leave-04302015	FN 1	50	0	-50	-100%		Removed
Required	A	PP	Risk Assessment-Physical Plant		47.75	47.75	0	0%	May 2015	Completed
Required	A	AD	Risk Assessment-Institutional Advancement		53	49	-4	-8%	May 2015	Completed
Required	A	IA	Risk Assessment-Inst. & Academic Support		58	55	-3	-5%	May 2015	Completed
Management Request	I	IS	Investigation 15-01		35	44	9	26%		In Progress
Management Request	I	IS	Investigation 15-02		0	9	9	100%		In Progress
Management Request	I	IA	Investigation 15-03		0	5	5	100%	June 2015	Completed
Consulting	C	IT	TBR/State IT Audit		35	53.5	18.5	53%	June 2015	Completed
Special Request	C	IT	PII Review - Consultation	FN 1, FN 2	0	66	66	100%		In Progress
Special Request	S	PP	DSCC-IAR-Building Security/Key Control-06302015	FN 1	50	0	-50	-100%		Removed
Required	R	FM	Cash Counts/YE Bank Confirmations		30	30	0	0%	June 2015	Completed
			Totals		528.75	528.75				

Estimate-Hours Available For Audits = 528.75 (Partial Year)

T--Tie

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status:
Scheduled
In Progress
Completed
Removed

Footnotes:

(1) Audit was cancelled/delayed due three unanticipated Investigations and a Special Request. Estimated completion date is September 2015.
(2) Audit was requested after the audit plan was prepared.

Jackson State Community College
Year-End Status Report of the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Current Rank	Type	Area	Audit	Planned Hours	Actual Hours	Actual Vs. Budget Percentage	Hours	Estimated/Actual Completion Date	Current Status
Required	R	SS	CCTA Funding Formula - Completion (2013 Data)	100	100	0%	0	July 2014	*Completed*
Required	R	SS	CCTA Funding Formula - Efficiency and Other Outcomes	150	140	-7%	-10	May 2015	*Completed*
Required	M	PP	Plant	80	30	-63%	-50	May 2015	*Completed*
Required	M	IS	TCAT Risk Assessment - Covington	25	5	-80%	-20	February 2015	*Completed*
Required	M	IS	TCAT Risk Assessment - Crump	25	5	-80%	-20	February 2015	*Completed*
Required	M	IS	TCAT Risk Assessment - Jackson	25	5	-80%	-20	February 2015	*Completed*
Required	M	IS	TCAT Risk Assessment - McKenzie	25	5	-80%	-20	February 2015	*Completed*
Required	M	IS	TCAT Risk Assessment - Newbern	25	5	-80%	-20	February 2015	*Completed*
Required	M	IS	TCAT Risk Assessment - Paris	25	5	-80%	-20	February 2015	*Completed*
Required	M	IS	TCAT Risk Assessment - Ripley	25	5	-80%	-20	February 2015	*Completed*
Required	M	IS	TCAT Risk Assessment - Whiteville	25	5	-80%	-20	February 2015	*Completed*
Required	R	FM	Year-end Bank Confirmations	30	15	-50%	-15	June 2015	*Completed*
Brought forward	A	PP	Emergency Preparedness	40	45	13%	5	October 2014	*Completed*
Brought forward	F	IT	Follow up Review - IT Goverance	30	25	-17%	-5	September 2014	*Completed*
Brought forward	F	IT	Follow up Review - Data Security	30	25	-17%	-5		*In Progress*
Brought forward	F	IS	Follow up Review - Cash Receipting	30	25	-17%	-5		*In Progress*
Consulting	C	IS	General Consultation	150	230	53%	80	June 2015	*Completed*
1	A	SS	Financial Aid	250	160	-36%	-90		*In Progress*
	I	SS	JSCC 15-01	100	90	-10%	-10		*In Progress*
			Totals	1190	925				

Estimate-Hours Available For Audits = 1200 (1 audit staff)
T--Tie

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessmen
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status:
S - Scheduled
I - In Progress
C - Completed
R - Removed
C - Cancelled

Motlow State Community College
Year-End Status Report of the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit	Planned Hours	Actual Hours	Planned vs. Actual Hours	Planned vs. Actual Percentage	Date Completed	Status
Required by TBR	R	SS	CCTA Funding Formula-Completion	52	52	0	0%	July 29, 2014	Completed
Required by Law	R	FM	MSCC President Expenses FYE 6/30/14	150	185	(35)	-23%	October 29, 2014	Completed
Required by TBR	R	SS	Other	150	66	84	56%	May 12, 2015	Completed
	M	IS	Affairs	25	1	24	96%		Cancelled
	M	AX	Services	0	9	(9)	100%	May 29, 2015	Completed
	M	SS	Services	25	14	11	44%	May 29, 2015	Completed
	M	PP	MSCC Risk Assessment - Physical Plant	25	10	15	60%	May 29, 2015	Completed
	M	IS	McMinnville Risk Assessment	25	15	10	40%	February 13, 2015	Completed
	M	IS	Murfreesboro Risk Assessment	25	45	(20)	-80%	February 10, 2015	Completed
	M	IS	Shelbyville Risk Assessment	25	39	(14)	-56%	February 9, 2015	Completed
Management Request	S	PP	Timekeeping Review (Facilities Dept.)	100	33	67	67%	April 14, 2015	Completed
	C	IS	General Consultation	60	29	31	52%	June 30, 2015	Completed
Req by State Audit	R	FM	State Audit Assistance - Yr End	40	6	34	85%	June 30, 2015	Completed
	F	IS	Other Internal Audit Follow-Up	34	5	29	85%	June 30, 2015	Completed
	P	IS	Electronic Working Papers	50	38	12	24%	June 30, 2015	Completed
			Totals	**786**	**547**				

Estimate-Hours Available for audits includes 356 of 600 hours contracted with MTSU Consulting Services.
Motlow hired a full-time Internal Auditor as of 2/2/15 which accounts for the additional 430 planned hours.

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status
C - Completed
I - In Progress
S - Scheduled, not Started
R - Removed
X - Cancelled

Footnotes:
The MSCC Risk Assessment - Academic Affairs has been scheduled for completion in FY 2016. The Risk Assessment - Auxiliary Services was added and completed in FY 2015.

Nashville State Community College
Year-End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit	Planned Hours	Actual Hours	Planned to Actual Hours	Percentage	Date Completed	Current Status
Required	R	SS	CCTA Funding Formula-Completion	80	80	0	0%	July 2014	*Completed*
Required	R	FM	JSCC President's Expenses	150	150	0	0%	October 2014	*Completed*
Risk Assessment	M	IS	Risk Assessment-Enterprise-wide-TCATD	30	30	0	0%	January 2015	*Completed*
Risk Assessment	M	IS	Risk Assessment-Enterprise-wide-TCATN	30	30	0	0%	January 2015	*Completed*
VP Request	S	FM	Cash Counts at TCATs & Satellite	60	60	0	0%	February 2015	*Completed*
President Request	S	IA	Emergency Closing Review	40	40	0	0%	March 2015	*Completed*
Required	M	IS	Internal Audit Risk Assessment	10	10	0	0%	March 2015	*Completed*
As Assigned	C	IS	General Consultation	50	50	0	0%	April 2015	*Completed*
Required	R	SS	CCTA Funding Formula-Phase 3	150	150	0	0%	May 2015	*Completed*
Risk Assessment	M	IS	Risk Assessment - Institutional Support	30	30	0	0%	May 2015	*Completed*
Risk Assessment	M	IS	Risk Assessment - Information	40	40	0	0%	May 2015	*Completed*
Required	F	FM	State Audit Follow-Up	120	120	0	0%	June 2015	*Completed*
Required	R	FM	Year End Work	22.5	22.5	0	0%	June 2015	*Completed*
Required	P	IS	Audit Software	100	100	0	0%	June 2015	*Completed*
Investigation	I	FM	TBR 14-03	70	70	0	0%	June 2015	*Completed*
Investigation	I	FM	NaSCC 14-01	100	100	0	0%	June 2015	*Completed*
CAE Request	S	SS	Career Services - Salary Data	37.5	37.5	0	0%	June 2015	*Completed*
Investigation	I	FM	NaSCC 15-01	125	125	0	0%	FY 2016	*In Progress*
Required	R	IS	Access & Diversity Grant	0	0	0	0%		*Removed*
Required	P	IS	Quality Assurance - Self-assessment	0	0	0	0%		*Removed*
As Assigned	I	IS	Unscheduled Investigations	30	30	0	0%		*Removed*
As Assigned	F	IS	Internal Audit Follow-Up	0	0	0	0%		*Removed*
1T	A	FM	Disbursements	0	0	0	0%		*Removed*
2T	A	FM	Maintenance/Tuition and Related Fees	0	0	0	0%		*Removed*
			Totals	1275	1275				

Estimate-Hours Available For Audits = 1237.5 (1 audit staff)
T--Tie
TBD-To Be Determined

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status:
Scheduled
In Progress
Completed
Removed

Northeast State Community College
Year-End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned to Actual Hours	Percentage		Completion Date Estimated / Actual	Current Status
Required	R	FM	President's Expenses Audit-CISCC	FN 1	0		0	0%			*Removed*
Required	R	SS	CCTA Funding Formula-Completion (2013 Data)		50	54	(4)	-8%		July 2014	*Completed*
Required	R	SS	CCTA Funding Formula-Transfers & Other		200	154	46	23%		May 2015	*Completed*
Required	R	FM	State Audit Assistance-Yr End		40	40	0	0%		June 2015	*Completed*
	F	FM	State Audit Follow-Up		75	72	3	4%		April 2015	*Completed*
	F	IS	Other Internal Audit Follow-Up		75	16.5	59	78%		June 2015	*Completed*
	P	IS	Electronic Working Papers		50	54.5	(5)	-9%		June 2015	*Completed*
	M	FM	Risk Assessments - NeSCC		25	24.5	1	2%		May 2015	*Completed*
	M	IS	TCAT Risk Assessment-Enterprise-wide		5	5	0	0%		February 2015	*Completed*
Brought forward	S	IA	Theater Services		50	67.5	(18)	-35%		August 2014	*Completed*
Special Request	S	IS	Special Requests and Projects		50	52	(2)	-4%		June 2015	*Completed*
Special Request	C	IS	General Consultation		50	38	12	24%		June 2015	*Completed*
1	A	IS	Human Resources	FN 2	0		0	0%		(FN 2)	*Removed*
2	A	AD	Foundation/Advancement	FN 3	0		0	0%		(FN 3)	*Removed*
			Totals		670	578					

Estimate-Hours Available For Audits = 1122.5 (1 audit staff)
T--Tie
TBD-To Be Determined

Audit Types: Functional Areas: Status:
R - Required   AD - Advancement   Scheduled
A - Risk-Based (Assessed)   AT - Athletics   In Progress
S - Special Request   AX - Auxiliary   Completed
I - Investigation   FM - Financial Management   Removed
P - Project (Ongoing or Recurring)   IA - Instruction & Academic Support
M - Management's Risk Assessment   IS - Institutional Support
C - Consultation   IT - Information Technology
F - Follow-up Review   PP - Physical Plant
                                                               RS - Research
                                                               SS - Student Services

Footnotes:
FN 1 - Audit designated as Removed because it will be reassigned by TBR SWIA due to internal auditor position vacancy.
FN 2 - Audit designated as Removed due to reduction of audit hours during internal auditor position vacancy.
FN 3 - Audit designated as Removed due to reduction of audit hours during internal auditor position vacancy.

Pellissippi State Community College
Year-End Status Report of the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned vs. Actual		Date Completed	Status
							Hours	Percentage		
Required	R	SS	Funding Formula-Completion (2013 Data)		40	43	(3)	-8%	July 2014	Completed
Required	R	SS	Funding Formula-Efficiency & Other		100	77	23	23%	May 2015	Completed
Required	F	FM	Internal Audit Follow Ups		15	7	8	53%	June 2015	Completed
Required	M	SS	Risk Assessment-Student Services		20	13	7	35%	March 2015	Completed
Required	M	IT	Risk Assessment - Physical Plant		10	9	1	10%	May 2015	Completed
Required	M	FM	Risk Assessment-Financial Management		10	7	3	30%	December 2014	Completed
Required	F	FM	State Audit Follow-Up		20	16	4	20%	Continuous	Completed
Required	M	IS	TTC Risk Assessment-Enterprise-wide		20	15	5	25%	June 2015	Completed
Required	R	FM	Chancellor's Expenses		100	99	1	1%	August 2014	Completed
Required	R	IS	Access and Diversity Grant	Fn 3	50	2	48	96%	In Progress	In Progress
Required	P	IS	Audit Software	FN 5	0	44	(44)	100%	June 2015	Completed
Presidential Request	S	IA	Faculty Credentials		100	100	0	0%	December 2014	Completed
Presidential Request	S	FM	First TN - NACHA Audit		80	70	10	13%	October 2014	Completed
Presidential Request	P	IA	Review of Compliance Assist		40	35	5	13%	September 2014	Completed
Presidential Request	P	IT	Review of Security Administration Issues and other TBR IT Audit Issues		120	119	1	1%	June 2015	Completed
Presidential Request	P	IS	Review of ACA Issues	FN 4	30	14	16	53%	June 2015	Completed
Presidential Request	P	FM	Review of RFP award process (banking, software etc.)	FN 4	45	59	(14)	-31%	June 2015	Completed
Presidential Request	P	SS	Review of French Exchange Program	FN 4	50	46	4	8%	February 2015	Completed
1T	A	FM	Disbursements		120	110	10	8%	February 2015	Completed
1T	A	AD	Development (Foundation)	FN 2	150	59	91	61%	In Progress	In Progress
3T	A	FM	Accounts Payable		100	119	(19)	-19%	June 2015	Completed
			Totals		**1220**	**1063**				

Estimated Hours Available for Audits = 1162.5 (1 Staff) **(1)**
T--Tie

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status
C - Completed
I - In Progress
S - Scheduled, not Started
R - Removed
X - Cancelled

Footnotes:

(1) Estimated audit hours were not reduced on the audit plan but should have been reduced by 55 hours for the current fiscal year due to administrative clsoing by the college in January and February of 2015 due to inclement weather. This would cause estimated available hours to be 1,107.50.

(2) The foundation audit was started later in the year than originally planned and for this reason was not completed in FY15. For this reason a large variance exist between planned audit hours and actual audit hours.

(3) Audit was added to audit plan at request of TBR but due to scheduling issues at the Board all necessary information required for this audit was not provided to the college in FY 15

(4) All consultatation projects that were added to the audit plan during FY14 were added because of management request. Prior to adding to the audit plan the risk related to these were evaluated as well as the estimated time requirement and determined to justify immediate action on the part of the internal audit office. Additionally some minor issues taking anywhere from 2 hours to 2 days were performed and these are not included on the audit plan. Time spent on these was approximately 52 hours.

(5) Items was inadvertently omitted from original audit plan as well as subsequent revisions to the plan.

Note: Even though the financial aid audit was ranked as the top risk based audit it wasl not be done in FY 15. Originally it was not scheduled in FY 15 due to timing issues between the auditor and the financial aid office. Subsequently TSAC Auditors came and performed an indepth review in April of 15 so a decision was made based upon the results of this review that an internal audit was not currently necessary..

Roane State Community College
Year-End Status Report of the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit	Planned Hours	Actual Hours	Planned vs. Actual Hours	Percentage	Date Completed	Status
Required	M	SS	Services	15.00	0.25	15	98%		Removed
Required	M	PP	RSCC Risk Assessment - Facility and Operations/Maintenance	15.00	0.25	15	98%		Removed
Required	M	IA	Development	15.00	0.25	15	98%		Removed
Required	M	IS	RSCC Risk Assessment-ERM update	7.50	0.25	7	97%		Removed
Required	M	IS	TCAT OniedaRisk Assessment-Enterprise-wide/Control assessment	7.50	0.25	7	97%		Removed
Required	M	IS	TCAT Crossville Risk Assessment-Enterprise-wide/Control assessment	7.50	0.25	7	97%		Removed
Required	M	IS	TCAT Harriman Risk Assessment-Enterprise-wide/Control assessment	7.50	0.25	7	97%		Removed
Required	M	IS	TCAT Jacksboro Risk Assessment-Enterprise-wide/Control assessment	7.50	0.25	7	97%		Removed
Required	R	IS	Funding Formula - Other data review	200.00	31.25	169	84%		Removed
Required	R	FM	Year End Cash Counts and inventories - 6-30-15	37.50	0.25	37	99%		Removed
Required	F	FM	RSCC - Follow up on State Audit findings	-	0	0	0%		Removed
Required	F	FM	RSCC Foundation - Follow up on State Audit findings	-	0	0	0%		Removed
As needed	I	IS	Unscheduled Investigations	80.00	-	80	100%		Removed
As needed	S	IS	Special requests	60.00	57.50	3	4%	November 2014	Completed
Ongoing projects	P	IS	Projects	50.00	18.50	32	63%	November 2014	Completed
As needed	C	IS	General consultation	50.00	11.50	39	77%	November 2014	Completed
1	A	AD	RSCC - Foundation	158.25	31.50	127	80%		Removed
2	A	FM	RSCC - Technology Access Fee	156.00	0.25	156	100%		Removed
Required	R	IS	Funding Formula - Completion Data	27.25	27.25	0	0%	July, 2014	Completed
	A	FM	Grants and Sponsored programs	303.50	303.50	0	0%	November, 2014	Completed
	A	FM	Purchasing(includes contracts)	-		0	0%		Removed
	A	SS	Financial Aid		0.25	(0)	0%		Removed
			Totals	**1205**	**483.75**				

Estimate-Hours Available For Audits = 500 (1 audit staff, July through November)
T--Tie

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status:
Completed
In Progress
Scheduled, not Started
Removed
Cancelled

Southwest Tennessee Community College
Year-End Status Report of the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned to Actual Hours	Planned to Actual Percentage	Date Completed	Current Status
	S	AT	Athletic Comprehensive	FN 1	0	0	0	0%		*Removed*
	I	AT	Federal Work Study Program	Fn 4	40	110	(70)	-175%	June 2015	*Completed*
	F	FM	Federal Audit Follow Up		30	10	20	67%		*In Progress*
	M	IA	Risk Assessment-Instruction & Academic		22.5	31	(9)	-38%	June 2015	*Completed*
	M	FM	Risk Assessment-Financial Management 1		22.5	26	(4)	-16%	June 2015	*Completed*
	M	FM	Risk Assessment-Financial Management 2		22.5	28	(6)	-24%	June 2015	*Completed*
	S	FM	Gymnasium Rentals		165	153	12	7%	June 2015	*Completed*
	I	IS	Unscheduled Investigations	Fn 2	3	7	(4)	-133%	June 2015	*Completed*
	C	IS	General Consultation	Fn 2	50	35	15	30%	June 2015	*Completed*
	R	SS	CCTA Funding Formula-Efficiency	FN 5	60	64	(4)	-7%	June 2015	*Completed*
	S	FM	Cash Counts		30	19	11	37%		*In Progress*
	S	FM	Motor Vehicle Procedures	FN 1	83	67	16	19%	June 2015	*Completed*
	C	FM	Federal Perkins Loan Program	FN 1	82	37.5	45	54%		*In Progress*
	S	FM	Industrial Readiness Grants	FN 3	97	147.5	(51)	-52%	June 2015	*Completed*
	S	FM	Unemployment Expenditures	Fn 2	25	57	(32)	-128%	June 2015	*Completed*
	S	FM	Tuition Statements	FN 5	60	50	10	17%	June 2015	*Completed*
	P	IS	Implementing new audit software	FN 5	30	62	(32)	-107%		*In Progress*
			Totals		822.5	904				

Estimate-Hours Available For Audits = 2720 (2 audit staff)
T--Tie
TBD-To Be Determined

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status:
Scheduled
In Progress
Completed
Removed

Footnotes:
Fn1 - Athletics was identified by the former Director of Internal audit, but based on management's request, it was removed and two other areas were scheduled for audi
Fn2 - Several audits were added and hours were reallocated from consultations and unscheduled investigations since those hours had not been used as planned.
The audit areas were requested by management.
Fn3 - The president requested that Industrial Readiness Grants be audited.
Fn4 - Athletic Work Study-This audit was expanded because of problems discovered in the initial review.
Fn5 - Hours were reallocated due to a special request from management.

Volunteer State Community College
Year-End Status Report of the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit		Planned Hours	Actual Hours	Planned vs. Actual Hours	Planned vs. Actual Percentage	Date Completed	Status
Required	R	SS	CCTA Funding Formula-Completion		150	130	20	13%	August 2014	Completed
Required	R	SS	CCTA Funding Formula-Transfers & Other		150	188	(38)	-25%	May 2015	Completed
Required	R	FM	President's Expenses - STCC		190	189	1	1%	October 2014	Completed
Required	M	IS	Risk Assessment - Volunteer State		75	50	25	33%	May 2015	Completed
Required	M	IS	TCAT Risk Assessment		15	22	(7)	-47%	February 2015	Completed
Required	F	IS	Follow-up Activities		75	20	55	73%	June 2015	Completed
	I	IS	Unscheduled Investigations		100	0	100	100%	June 2015	Completed
	C	IS	General Consultation	FN 1	150	156	(6)	-4%	June 2015	Completed
Special Request	C	IS	TCPRA Bank Account	FN 2	55	54	1	2%	November 2014	Completed
Special Request	S	FM	State Audit Year-End Procedures		15	19	(4)	-27%	June 2015	Completed
Project	P	IS	Audit Software Implementation	FN 3	75	87	(12)	-16%	June 2015	Completed
Special Request	S	IA	Credentials	FN 4	250	222	28	11%		In Progress
Project	P	FM	Periodic Procard Review	FN 5	100	0	100	100%		Scheduled
			Totals		**1400**	**1137**				

Estimate-Hours Available For Audits = 967.5 (1 audit staff)
T--Tie

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status
C - Completed
I - In Progress
S - Scheduled, not Started
R - Removed
X - Cancelled

Footnotes:
(1) The General Consultation budget was increased by 50 hours to reflect actual hours. There was more time spent on consulting activity this year than in previous years.
(2) Consulting request to review the TCPRA bank account statements for which out Public Relations Director serves as Treasurer.
(3) Audit software implementation added to the audit plan.
(4) Audit testwork was expanded to include SACS credential requirements rather than testing only TBR rank requirements. Audit is currently in wrap-up.
(5) Procard review was not conducted due to expansion of credential audit testwork.

Walters State Community College
Year End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit	Planned	Actual Hours	Planned to Actual Hours	Planned to Actual Percentage	Date Completed	Current Status
	F	FM	State Audit Follow-Up	100	130	(30)	-30%	April 2015	Completed
	R	FM	Inventory Observations	16	16	0	0%	August 2014	Completed
	R	FM	Cash Counts	8	8	0	0%	August 2014	Completed
	R	FM	Confirmation Requests	4	4	0	0%	August 2014	Completed
	M	FM	Risk Assessment-Financial Management	20	20	0	0%	May 2015	Completed
	M	SS	Risk Assessment-Student Affairs	20	20	0	0%	May 2015	Completed
	M	IA	Risk Assessment-Academic Affairs	20	20	0	0%	May 2015	Completed
	M	IS	Risk Assessment-Center for Workforce Development	20	20	0	0%	May 2015	Completed
	M	IS	TCAT Risk Assessment-Enterprise-wide	25	24	1	4%	February 2015	Completed
	P	IS	Quality Assessment Review	0	0	0	0%		Removed
	I	IS	Unscheduled Investigations	105	80	25	24%	September 2014	Completed
	C	IS	General Consultation	80	100	(20)	-25%	June 2015	Completed
Required by TBR	R	SS	CCTA Funding Formula-Completion	40	50	(10)	-25%	July 2014	Completed
Required by TBR	R	SS	CCTA Funding Formula-Sepcial Populations	150	340	(190)	-127%	May 2015	Completed
Required	R	FM	NACHA Compliance Audit	60	60	0	0%	November 2014	Completed
Required	R	IT	IT Governance Review	65	60	5	8%		In Progress
Required by TBR	P	IS	Audit Software	100	220	(120)	-120%		In Progress
1T	A	IT	Cloud Computing	112	40	72	64%		In Progress
Brought forward	A	FM	PCI-DSS	120	10	110	92%		Scheduled
Brought forward	A	FM	Contracts	80	0	80	100%		Scheduled
3	A	FM	Accounts Receivable	77	0	77	100%		Scheduled
			Totals	1222	1222				

Estimate-Hours Available For Audits = 1222 (1 audit staff)
T-Tie
TBD-To Be Determined

Audit Types:	Functional Areas:	Status:
R - Required	AD - Advancement	Scheduled
A - Risk-Based (Assessed)	AT - Athletics	In Progress
S - Special Request	AX - Auxiliary	Completed
I - Investigation	FM - Financial Management	Removed
P - Project (Ongoing or Recurring)	IA - Instruction & Academic Support	
M - Management's Risk Assessment	IS - Institutional Support	
C - Consultation	IT - Information Technology	
F - Follow-up Review	PP - Physical Plant	
	RS - Research	
	SS - Student Services	

Tennessee Board of Regents - System-wide Internal Audit
Year-End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit	Planned	Actual Hours	Planned to Actual Hours	Planned to Actual Percentage	Date Completed	Current Status
Required	R	FM	President's Expense (ChSCC)	225	225	0	0%	December 15, 2014	*Completed*
Required	R	FM	President's Expense (CISCC)	150	50	100	67%	February 9, 2015	*Completed*
Required	R	SS	DSCC-CCTA Funding Formula-Completion (2013 Data)	50	45	5	10%	July 25, 2014	*Completed*
Required	R	SS	STCC-CCTA Funding Formula-Completion (2013 Data)	25	20	5	20%	July 25, 2014	*Completed*
Required	R	SS	RSCC-CCTA Funding Formula-Transfers & Other	150	134	16	11%	May 2015	*Completed*
Required	F	IA	State Audit Performance Follow-Up	5	5	0	0%	July 15, 2014	*Completed*
Required	F	FM	State Audit Follow up FY2012 and FY2013	40	47	(7)	-18%	January 30, 2015	*Completed*
Required	F	SS	Follow-Up Audits	160	0	160	100%	TBD	*Scheduled*
	M	SS	Risk Assessment	10	5	5	50%	June 2015	*Completed*
	C	SS	General Consultation	140	105	35	25%	June 2015	*Completed*
	P	IS	Electronic Working Papers	150	345	(195)	-130%	June 2015	*Completed*
1	A	PP	Facilities	150	7.5	143	95%		*In progress*
			Totals	1255	988.5				

Estimate-Hours Available For Audits = 1,085 (1 audit staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status:
Scheduled
In Progress
Completed
Removed

Tennessee Board of Regents - TCAT
Year-End Status Report of the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit	Planned Hours	Actual Hours	Planned vs. Actual Hours	Percentage	Date Completed	Status
Brought forward	F	FM	Morristown	25	2	23	92%		*In progress*
Brought forward	F	FM	Elizabethton (FN2)	37.5	153.5	(116)	-309%		*In progress*
Brought forward	A	FM	Focused Review (System-Wide)	10	2	8	80%	June 30, 2015	*Completed*
Brought forward	A	FM	Knoxville	10	59	(49)	-490%	August 19, 2014	*Completed*
Brought forward	A	FM	Jackson	10	45.5	(36)	-355%	September 5, 2014	*Completed*
Brought forward	A	FM	McKenzie	22	33.5	(12)	-52%	November 11, 2014	*Completed*
Brought forward	A	FM	Pulaski	5	29.5	(25)	-490%	September 5, 2014	*Completed*
Brought forward	A	FM	McMinnville	5	7.5	(3)	-50%	May 19, 2014	*Completed*
Brought forward	A	FM	Ripley (FN3)	50	66	(16)	-32%		*In progress*
Brought forward	A	FM	Murfreesboro	5	6	(1)	-20%		*Completed*
Brought forward	A	FM	Hartsville	37.5	53.5	(16)	-43%	September 3, 2014	*Completed*
Brought forward	A	FM	Nashville	15	52	(37)	-247%	April 21, 2015	*Completed*
Brought forward	A	FM	Memphis	10	50	(40)	-400%	January 9, 2015	*Completed*
Brought forward	A	FM	Athens	37.5	41	(4)	-9%	August 4, 2014	*Completed*
Brought forward	A	FM	Jacksboro	10	27.5	(18)	-175%	January 9, 2015	*Completed*
Brought forward	A	FM	Paris	20	48	(28)	-140%	January 29, 2015	*Completed*
Brought forward	A	FM	Crump (FN3)	10	35.5	(26)	-255%		*In progress*
Brought forward	A	FM	Dickson	5	6	(1)	-20%	May 19, 2014	*Completed*
		FN1	Directors Expenses-AR-Consumer Info						
1	A	FM	Crossville (FN4)	45	70.5	(26)	-57%	April 17, 2015	*Completed*
2	A	FM	Shelbyville	45	50	(5)	-11%	May 6, 2015	*Completed*
3	A	FM	Chattanooga	45	58.5	(14)	-30%	May 6, 2015	*Completed*
4	A	FM	Morristown	37.5	2.5	35	93%		*In progress*
5	A	FM	Hohenwald (FN5)	45	8	37	82%		*Scheduled*
6	A	FM	Livingston	37.5	51.5	(14)	-37%	May 6, 2015	*Completed*
7	A	FM	Crump	37.5	55	(18)	-47%		*In progress*
8	A	FM	Whiteville	37.5	61	(24)	-63%	June 25, 2015	*Completed*
9T	A	FM	Jackson	45	55.5	(11)	-23%	June 11, 2015	*Completed*
9T	A	FM	Newbern	37.5	47	(10)	-25%		*In progress*
10	A	FM	Dickson	45	40.5	5	10%	June 11, 2015	*Completed*
11	A	FM	Hartsville	37.5	30.5	7	19%	May 22, 2015	*Completed*
12	A	FM	Pulaski	37.5	26	12	31%		*In progress*
13	A	FM	Murfreesboro	45	22.5	23	50%	June 11, 2015	*Completed*
14	A	FM	Elizabethton (FN5)	37.5	2	36	95%		*Scheduled*
15T	A	FM	Jacksboro	37.5	37	1	1%		*In progress*
15T	A	FM	Harriman	37.5	21.5	16	43%		*In progress*
16T	A	FM	McMinnville	37.5	37	1	1%		*In progress*
16T	A	FM	Memphis	40	21.5	19	46%		*In progress*
16T	A	FM	Paris (FN5)	37.5	2	36	95%		*Scheduled*
17	A	FM	McKenzie (FN5)	37.5	2	36	95%		*Scheduled*
18	A	FM	Nashville	37.5	34.5	3	8%		*In progress*
19	A	FM	Knoxville	40	26.5	14	34%		*In progress*
20T	A	FM	Athens	37.5	33	5	12%		*In progress*
20T	A	FM	Oneida	37.5	28	10	25%		*In progress*
21	A	FM	Ripley	37.5	24	14	36%		*In progress*
22	A	FM	Covington	37.5	22.5	15	40%		*In progress*
	A	FM	TCAT Administration Audit Request	100	100	0	0%	June 2015	*Completed*
	C	FM	TCAT Consultation	15	29	(14)	-93%	June 2015	*Completed*
	P	IS	RFP Project	37.5	36.5	1	3%	October 2014	*Completed*
			Totals	**1547**	**1754**				

Estimate-Hours Available For Audits = 1429.5 (1 audit staff)
T--Tie
TBD-To Be Determined

Audit Types:	Functional Areas:	Status:
R - Required	AD - Advancement	Scheduled
A - Risk-Based (Assessed)	AT - Athletics	In Progress
S - Special Request	AX - Auxiliary	Completed
I - Investigation	FM - Financial Management	Removed
P - Project (Ongoing or Recurring)	IA - Instruction & Academic Support	
M - Management's Risk Assessment	IS - Institutional Support	
C - Consultation	IT - Information Technology	
F - Follow-up Review	PP - Physical Plant	
	RS - Research	
	SS - Student Services	

Footnotes:
FN1: Based on discussions with the Director, it was decided to perform a desk review for 1-2 years of Directors Expenses, testing large or unusual items, follow up with AR findings and observation, and review specific activities identified in the Federal Consumer Information requirements.
FN2: Audit included follow up on previous investigation and was completed by investigative auditor.

FN3: Audit findings resulted in extra time to complete the audit.
FN4: New audit steps for Consumer information required more time to review auditees website and catalog than anticipated.

SWIA - Information Systems
Year-End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit	Current Planned	Actual Hours	Planned to Actual Hours	Percentage	Date Completed	Current Status
Brought forward	A	IT	Carryover from FY '14 - Logical Access Security	145	92	53	37%		*In Progress*
Brought forward	A	IT	Carryover from FY '14 - Cleveland State CC	48	190	(142)	-296%	April 2015	*Completed*
Brought forward	A	IT	Carryover from FY '14 - Roane State CC	48	178	(130)	-271%	April 2015	*Completed*
Brought forward	A	IT	Carryover from FY '14 - Austin Peay State University	48	160	(112)	-233%	April 2015	*Completed*
Brought forward	A	IS	Carryover from FY ' 14 - TBR Research & Assessment Reporting Processes	24	98	(74)	-308%	May 2015	*Completed*
Brought forward	A	IT	Carryover from FY ' 14 - Tennessee State University	48	133	(85)	-177%	May 2015	*Completed*
	C	IT	Consulting w/ IT personnel	62	72	(10)	-16%	Ongoing	*Completed*
Required	F	IT	Follow-up on prior IT Audit recommendations	28	38	(10)	-36%	Ongoing	*Completed*
Required	M	IT	IT Risk Assessment	4	4	0	0%	July 2014	*Completed*
	A	IT	RODP	100	2	98	98%		*Delayed*
	A	IT	MTSU	150	93	57	38%		*In Progress*
	A	IT	TTU	150	92	58	39%		*In progress*
	A	IT	CoSCC	150	161	(11)	-7%		*In Progress*
	A	IT	DSCC	150	89	61	41%		*In Progress*
	A	IT	STCC	150	106	44	29%	June 2015	*Completed*
	A	IT	WSCC	150	2	148	99%		*Scheduled*
Brought forward	C	IT	Banner system "XE" up-grade and ODS data warehouse implementation	53	72	(19)	-36%	June 2015	*Completed*
	C	IS	Business Continuity Planning / IT Disaster Recovery	16	12	4	25%	Ongoing	*In Progress*
Special Request from CIO	S	IT	Social engineering program	0	0	0	0%		*Removed*
	C	IS	Business Process Management (IT impact)	4	4	0	0%	January 2015	*Completed*
Special Request from CIO	S	IS	Information Dissemination Standards	0	0	0	0%		*Removed*
			Totals	1528	1598				

Estimate-Hours Available For Audits = 1521 (1 audit staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status:
Scheduled
In Progress
Completed
Removed

TBR Investigations
Year-End Status Report on the Internal Audit Plan
Fiscal Year Ended June 30, 2015

Rank	Type	Area	Audit	Planned	Actual Hours	Planned to Actual Hours	Planned to Actual Percentage	Completion Date Estimated / Actual	Current Status
Investigation	P	IS	INVESTIGATION MANAGEMENT	160	300	(140)	-88%	Ongoing	
Investigation	C	IS	CAMPUS CONSULTATION	160	293.5	(134)	-83%	Ongoing	
Carry Forward	I	FM	TBR 10-08	40	0	0	0%		*In Progress*
Carry Forward	I	FM	TBR 12-04	40	0	0	0%		*In Progress*
Carry Forward	I	FM	TBR 13-02	40	0	0	0%		*In Progress*
Carry Forward	I	IS	TBR 13-03	20	38	(18)	-90%		*In Progress*
Carry Forward	I	FM	TBR 14-03	20	54	(34)	-170%		*In Progress*
Carry Forward	I	IA	TBR 14-04	20	0	20	100%		*In Progress*
Carry Forward	I	FM	TBR 14-06	4	10	(6)	-150%	July 17, 2014	*Completed*
Carry Forward	I	FM	TBR 14-12	20	11.5	9	43%	July 17, 2014	*Completed*
Carry Forward	I	FM	TBR 14-15	40	22	18	45%		*In Progress*
Carry Forward	I	IS	TBR 14-17	40	1	39	98%	July 2014	*Completed*
Carry Forward	I	FM	TBR 14-19	500	957.5	(458)	-92%	December 15, 2014	*Completed*
Carry Forward	I	IS	TBR 14-20	40	84.5	(45)	-111%	May 2015	*Completed*
Carry Forward	I	IS	TBR 14-21	40	22	18	45%	February 10, 2015	*Completed*
Investigation	I	FM	TBR 15-01	60	47	13	22%		*In Progress*
Investigation	I	SS	TBR 15-02	5	1.5	4	70%	9/2/2014	*Completed*
Investigation	I	FM	TBR 15-03	40	15	25	63%		*In Progress*
Investigation	I	FM	TBR 15-04	40	83.5	(44)	-109%		*In Progress*
	I	FM	Unscheduled Investigations	0		0			
			Totals	1329	1941				

Estimate-Hours Available For Audits = 1240 (1 audit staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Status:
Scheduled
In Progress
Completed
Removed

DATE: August 25, 2015

AGENDA ITEM: **Review of Internal Audit Plans for
                                        Fiscal Year 2016**

PRESENTER: Tammy Birchett

ACTION REQUIRED: Voice Vote

STAFF'S RECOMMENDATION: Approval

BACKGROUND INFORMATION:

The committee will review and consider for approval internal audits planned for the system institutions for Fiscal Year 2016 as required by the Audit Committee Charter, TBR Policy 4:01:05:00, *Internal Audit*, and the Institute of Internal Auditors *International Professional Practices Framework.*

Audit plans prepared by the auditors may include audits or projects of the following types:

- Required (by law, policy or other authority)
- Management's Risk Assessment (review of process and conclusions)
- Follow-up Review (of State Audit or Internal Audit findings)
- Special Request (audit requested by Board or management)
- Project (such as periodic review of purchasing card activity)
- Consultation (research, analysis, review and/or recommendations)
- Investigation
- Risk-Based

Risk-based audits are determined following a risk analysis process. Risk analysis is a planning tool to help determine which areas within the institution should be audited. Each auditable area's key risk factors are quantified and weighted to come up with the risk ranking. Areas with the highest totals are

considered the riskiest and are given priority within the hours available for audits. This methodology complies with industry standards.

The following risk factors were considered during the risk analysis:

- <u>Audit History</u> – Time since last audit, results of last audit, and external audit or monitoring coverage and results.
- <u>Internal Controls</u> – Quality of internal control system, level of decentralization for operations, management's tone and interest in controls, extent of reliance on technology and complexity of operations.
- <u>Change</u> – Key personnel or unusual turnover, organizational changes, accounting and other critical operating systems changes, rapid growth and change in mission or in programs.
- <u>Size</u> – Revenues/Expenses/Net Assets and volume of transactions.
- <u>Sensitivity</u> – Extent of government or external influence, political exposure, adverse publicity, potential liability, and inherent risk of loss of resources.
- <u>Management's Assessment of Risk</u> – Whether the audit area has been included in management's risk assessment process, results of that assessment, results of management's control assessment, and time since last assessment of the audit area.

This section contains system summaries of the planned audits by type of review (for example, required audits, risk-based audits, etc.) and by the major functional areas (for example, Student Services, Financial Management, etc.) at the institution. The summaries are followed by a detailed audit plan for each institution.

Planned Audit Days by Audit Type
Fiscal Year Ended June 30, 2016

Pie chart labels: Other, 1%; Required, 16%; Follow-up, 7%; Consultation, 9%; Management's Risk Assessment, 4%; Project, 7%; Investigations, 10%; Special Request, 17%; Risk-Based, 29%
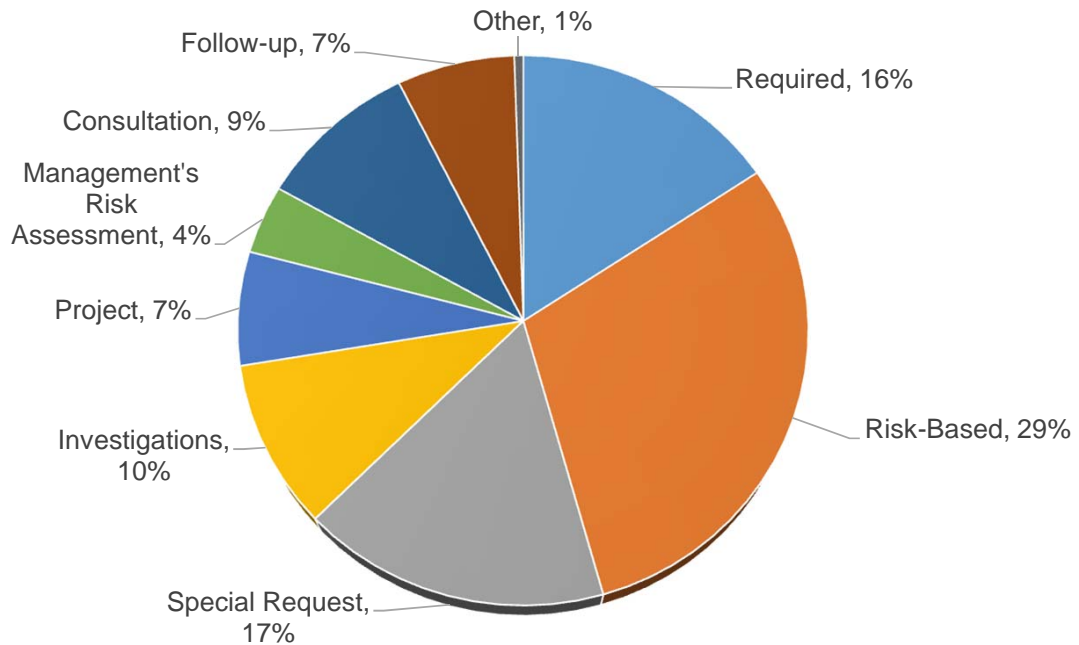
Highlights:

Risk-Based audits vary by campus because these are determined by a risk analysis process by each Internal Audit Director which considers several risk factors.

Special Request audits mainly consist of two areas with a system-wide focus. The Vice Chancellor for Organizational Effectiveness and Strategic Initiatives requested a review of Access and Diversity funds allocated or awarded to campuses, which represents 30% of the audits of this type. The Chief Audit Executive requested a review of Study Abroad programs on the campuses, which represents 31% of the audits of this type.

Required audits mainly consist of the system-wide audits of the Complete College Tennessee Act data and a sample of the President's expenses, 43% and 17%, respectively.

Projects mainly consist of the periodic internal quality assurance self-assessments and the continuing implementation of audit software representing 32% and 38%, respectively, of the reviews in this type.

Planned Audit Days by Functional Area
Fiscal Year Ended June 30, 2016

Advancement, 1%

Athletics, 6%

Auxiliary, 1%

Student Services, 11%

Research, 3%

Physical Plant, 2%

Information Technology, 10%

Financial Management, 34%

Institutional Support, 25%

Instruction and Academic Support, 7%
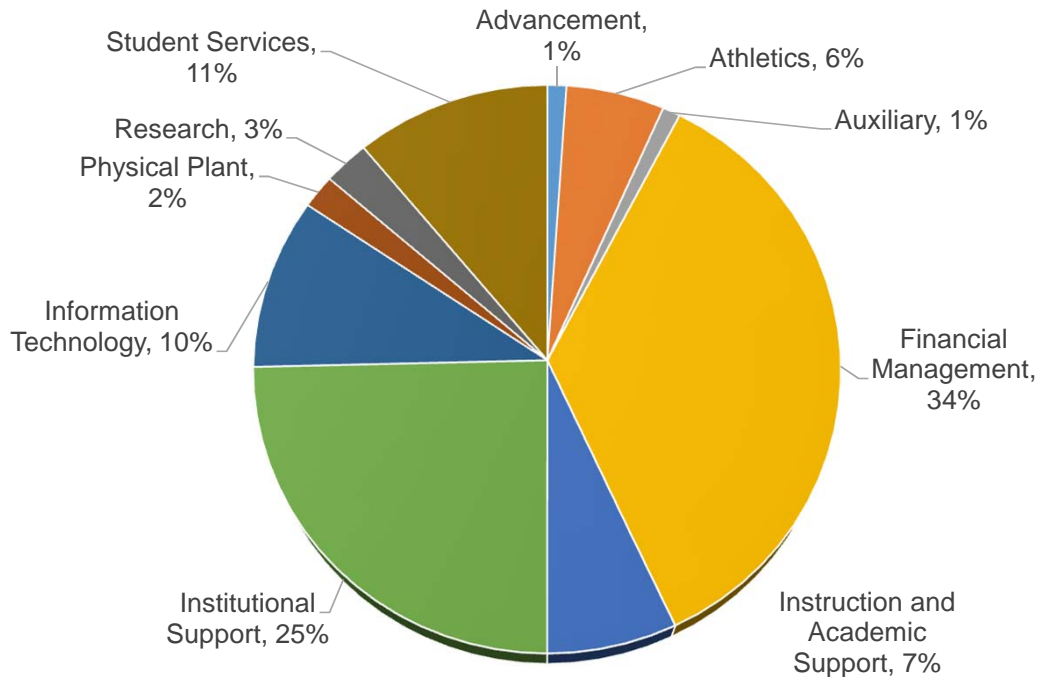
Highlights:

Financial Management audits mainly consist of state audit follow-ups, procurement card reviews, as well as the audit of Access and Diversity funds requested by the Vice Chancellor for Organizational Effectiveness and Strategic Initiatives.

Institutional Support audits mainly consist of the periodic internal quality assurance reviews and the continued implementation of audit software.

Instruction and Academic Support audits mostly consist of the system-wide review of Study Abroad programs at the insitituions, 76%.

Student Services audits mostly consist of the review of the Complete College Tennessee Act data, 62%.

Other Information:

	Planned Audits		Planned Audit Days	
Universities	150	32.8%	2,959	52.1%
Community Colleges	240	52.4%	2,008	35.4%
SWIA	38	8.3%	531	9.3%
TCAT	30	6.6%	179	3.2%
	458	100%	5,677	100%

Note: The audit planning process identified 1,410 auditable areas for the institutions and system office. The fiscal year 2016 plans show that 458 (32%) of those areas are planned to be audited in FY2016. However, a significant number of those are required audits or reviews, such as CCTA, President's Expenses, and Management's Risk Assessment.

Austin Peay State University
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
OVC Special Assistance Fund	R	AT	Jul 2015	15.0
MTSU-Presidents Expense-FYE 2015	R	FM	Aug 2015	25.0
State Audit Follow Up	R	FM	Feb 2016	10.0
Risk Assessment-FM	F	FM	Apr 2016	10.0
Procurement Card Review	O	FM	Jul 2015	25.0
Travel Claim Review	O	FM	Jul 2015	30.0
Access and Diversity 2016	S	FM	Jul 2015	20.0
Study Abroad	S	IA	Aug 2015	25.0
Quality Assessment Review	P	IS	Apr 2016	10.0
Unscheduled Investigations	I	IS	Jul 2015	15.0
General Consultation	C	IS	Jul 2015	40.0
Emergency Preparedness	A	PP	Apr 2016	25.0
Risk Assessment Research	R	RS	Apr 2016	7.0
CCTA/Funding formula 2016	R	SS	Jan 2016	20.0
Risk Assessment-Student Services	M	SS	Apr 2016	10.0
Total Planned Audit Days:				**287.0**

Estimate Days Available For Audits = 300 (2 audit staff)

Audit Types:	Functional Areas:
R - Required	AD - Advancement
A - Risk-Based (Assessed)	AT - Athletics
S - Special Request	AX - Auxiliary
I - Investigation	FM - Financial Management
P - Project (Ongoing or Recurring)	IA - Instruction & Academic Support
M - Management's Risk Assessment	IS - Institutional Support
C - Consultation	IT - Information Technology
F - Follow-up Review	PP - Physical Plant
O - Other	RS - Research
	SS - Student Services

East Tennessee State University
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
University Advancement	F	AD	Oct 2015	6.7
NCAA Compliance	A	AT	Apr 2015	20.0
Athletic Ticket Office	A	AT	Jan 2016	30.0
INV1405	F	AT	Oct 2015	13.3
Agency Accounts	A	FM	Dec 2015	30.0
WETS FM	R	FM	Oct 2015	26.7
Contracts and Agreements	A	FM	Apr 2015	8.3
Cash Counts and Inventory	R	FM	Jun 2016	5.3
Bursars Office	A	FM	May 2016	15.0
Misc Course Fees	A	FM	Jan 2016	30.0
Access and Diversity Funds	S	FM	Jul 2015	13.3
TTU Presidents Expenses	R	FM	Aug 2015	26.7
State Audit Follow-up	F	FM	Mar 2016	2.7
Unscheduled Investigations	I	FM	Jul 2015	13.3
Management Risk Assessments	M	FM	May 2016	5.3
Medical Library	S	IA	Apr 2015	19.0
INV1505	I	IA	Apr 2016	6.7
INV1506	I	IA	May 2015	4.0
Study Abroad	S	IA	Oct 2015	26.7
General Consulting	C	IS	Jul 2015	10.0
Additional Earnings	A	IS	Jan 2016	30.0
Timekeeping	S	IS	Jun 2016	6.7
IIA Quality Assurance Self Assessment	R	IS	Feb 2016	13.3
Electronic Workpapers	P	IS	Jul 2015	10.0
NACHA Web Transcations Data Security	R	IT	Apr 2016	16.7
PCI Compliance Scans	P	IT	Jul 2015	13.3
Web Application Security	A	IT	Jun 2015	13.3
OIT Policies and Procedures Review	A	IT	Mar 2015	5.3
Data Warehouse Control and Security	A	IT	Mar 2016	26.7
Software License Compliance	A	IT	Nov 2015	20.0
Third Party Servers FY 2015	S	IT	Apr 2015	5.0
Third Party Servers FY 2016	S	IT	Jan 2016	20.0
PCI Compliance Readiness	F	IT	Jul 2015	6.7
Banner Security	F	IT	Jul 2015	3.3
IT Consulting	C	IT	Jul 2015	10.0
INV1504	F	PP	Sep 2015	3.3
Financial Aid Administration	A	SS	Apr 2015	20.0
Student Health Billing Practices	F	SS	Jan 2016	20.0
CCTA Funding Formula	R	SS	Jan 2016	20.0
Federal Work Study	A	SS	Apr 2016	22.5
Total Planned Audit Days:				**599.2**

Estimate Days Available For Audits = 597 (4 staff)

Audit Types: Functional Areas:
R - Required   AD - Advancement
A - Risk-Based (Assessed)   AT - Athletics
S - Special Request   AX - Auxiliary
I - Investigation   FM - Financial Management
P - Project (Ongoing or Recurring)   IA - Instruction & Academic Support
M - Management's Risk Assessment   IS - Institutional Support
C - Consultation   IT - Information Technology
F - Follow-up Review   PP - Physical Plant
O - Other   RS - Research
                                                      SS - Student Services

Middle Tennessee State University
Internal Audit Plan
Fiscal Year June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
Football Attendance 2015	R	AT	Aug 2015	34.0
Athletic Concessions Revenue FY2015-2016	A	AT	Apr 2016	30.0
Athletic Gifts in Kind FY2013	F	AT	Sep 2015	6.0
Cash Counts FY2015	S	FM	Jul 2015	10.0
Cash Counts FY2016	S	FM	May 2016	8.0
Inventories FY2015	S	FM	Jul 2015	20.0
Inventories FY2016	S	FM	May 2016	8.0
State Audit FYE 6.30.2014	F	FM	Jul 2015	10.0
Property Management Contract Review 2013-2015	A	FM	Jul 2015	10.0
Food Services Commissions FY2015	A	FM	Jan 2016	30.0
President Expenses FY2015	R	FM	Aug 2015	34.0
Consulting-Assisting President Expenses FY2016	S	FM	Jul 2015	8.0
Access Diversity Funds 2013-2015	S	FM	Aug 2015	30.0
Study Abroad	S	IA	Sep 2015	30.0
Pcard Dept Review, Global Studies	S	IA	Jul 2015	6.0
INV1504	I	IA	Jul 2015	8.0
INV1506	I	IA	Jul 2015	8.0
Blue Print Solutions FY2015	A	IS	Mar 2016	30.0
MRA-Spring 2016	M	IS	Feb 2016	6.0
Emergency Preparedness FY2016	A	IS	Dec 2015	30.0
Consulting-General and Research	C	IS	Jul 2015	20.0
Internal Peer Review FY2016	P	IS	Feb 2016	5.0
Project-Electronic Work Papers	P	IS	Jul 2015	20.0
FU-Follow-up Reviews as Needed	F	IS	Jul 2015	10.0
INV1502	I	IS	Jul 2015	6.0
INV1501	I	IS	Jul 2015	8.0
Unplanned Investigations	I	IS	Jul 2015	60.0
Space Utilization Review of Risk Controls	A	PP	Apr 2016	30.0
INV1304	I	PP	Jul 2015	8.0
CCTA FY2016	R	SS	Feb 2016	20.0
Financial Aid Procedural Review	A	SS	Nov 2015	30.0
INV1402	I	SS	Jul 2015	16.0
Research Services Procedural Review	A	RS	Jan 2016	30.0
Confucius Institute	S	RS	Sep 2015	16.0
Total Planned Audit Days:				**635.0**

Estimate Days Available For Audits - 642 (4 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Tennessee State University
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
NCAA Student Assistance Fund 2016	R	AT	Aug 2015	20.0
Cash Counts 2016	A	FM	Jun 2016	5.0
General Consultation 2016	C	FM	Jul 2015	50.0
Access and Diversity 2016	S	FM	Mar 2016	20.0
State Audit FolLow Up	F	FM	Sep 2015	30.0
Study Abroad 2016	S	IA	Nov 2015	25.0
Management's Risk Assessment	M	IS	Jan 2016	10.0
Quality Assurance Review 2016	P	IS	Feb 2016	5.0
Unplanned Investigations 2016	I	IS	Jul 2015	45.0
Evidence Room 2016	A	IS	Feb 2016	25.0
MKI	P	IS	Jul 2015	10.0
CCTA 2016	R	SS	Apr 2016	22.0
Admissions 2016	A	SS	Sep 2015	30.0
Total Planned Audit Days:				**297.0**

Estimate Days Available For Audits = 254 (2 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Tennessee Tech University
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audits	Type	Area	Audit Start Date	Days Planned
Advancement 2015-16	A	AD	Feb 2016	33.3
Advancement 2015-16	M	AD	Jul 2015	3.3
Student Assistance Funds 2014-15	R	AT	Jul 2015	10.0
Auxiliaries Risk Assessment 2015-16	M	AX	Jul 2015	3.3
Procard Review 2015-16	P	FM	Aug 2015	46.7
Inventory Observations 6-30-15	R	FM	Jul 2015	18.7
Receipts 2015-16	A	FM	Mar 2016	33.3
Follow up to State Audit 2014-15	F	FM	Nov 2015	8.0
Travel 2015-16	A	FM	Apr 2016	40.0
Access and Diversity Funds 2015-16	S	FM	Aug 2015	20.0
Dining Charges Review 2015-16	S	FM	Jul 2015	26.7
Instruction and Academic Support 2015-16	M	IA	Jul 2015	4.7
Study Abroad 2015-16	S	IA	Oct 2015	20.0
Enterprise-wide 2015-16	M	IS	Jul 2015	4.7
Minors on Campus 2014-15	A	IS	Jul 2015	33.3
Investigation 15-10	I	IS	Jul 2015	3.0
Unscheduled Investigation 2015-16	I	IS	Jul 2015	26.7
General Consultation 2016	C	IS	Jul 2015	6.7
Internal Audits 2015-16	F	IS	Jul 2015	6.7
SELF-IIA Self assessment 2015-16	P	IS	Jan 2016	13.3
PCI-DSS 2015	A	IT	Jul 2015	6.7
Information Technology Risk Assessment 2015-16	M	IT	Jul 2015	3.3
Sponsored Program Reviews 2015-16	P	RS	Jul 2015	26.7
CCTA Funding Formula 2015-16	R	SS	Jan 2016	20.0
Total Planned Audit Days:				**419.0**

Estimate Days Available For Audits = 430 (3 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

University of Memphis
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
Athletics Travel Expenes-FY2016	A	AT	Feb 2016	40.0
Courtesy Cars-FY2016	C	AT	Apr 2016	33.0
Athletics Comp Tickets-FY2015	F	AT	May 2016	13.0
Athletics Comp Tickets-FY2015	A	AT	Jul 2015	20.0
Bookstore Controls-FY2016	A	AX	Oct 2015	33.0
Unscheduled Investigations-FY2016	I	IS	Jul 2015	54.0
General Consulting Management	C	IS	Jul 2015	40.0
QAR Review-FY2016	P	IS	Apr 2016	11.0
Controls Sponsored Accounts-FY2016	A	IT	Jan 2016	33.0
IT Consulting-FY2016	C	IT	Jul 2015	33.0
NACHA Bank Audit-FY2016	R	IT	Mar 2016	16.0
IT Security Controls	C	IT	Jul 2015	33.0
Grant Compliance BigData NIH Grant-FY2016	A	RS	Jul 2015	53.0
CCTA Audit-FY2016	R	SS	Feb 2016	20.0
Pcards	R	FM	Jul 2015	50.0
Data Analytics	A	FM	Jul 2015	40.0
Asset Verfications-FY2016	A	FM	Jul 2015	47.0
Followup FY14 State Audit	F	FM	Oct 2015	40.0
Study Abroad	F	FM	Dec 2015	27.0
Inventory Observation for State Audit FY2016	R	FM	Mar 2016	17.0
Diversity Audit	S	FM	Jul 2015	40.0
Risk Assessment-FY2016	R	FM	Apr 2016	11.0
Cash Counts For State Auditors	R	FM	Jul 2015	14.0
Inventory Observaton-FY15 Inventory	R	FM	Jul 2015	4.0
Total Planned Audit Days:				**722.0**

Estimate Days Available For Audits - 910 (5 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Chattanooga State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
Sports Clinic	A	AT	Aug 2015	8.0
Payroll	A	FM	Oct 2015	12.0
Cash Counts	S	FM	Oct 2015	3.0
Accounts Receivable	A	FM	Sep 2015	13.0
State Audit Follow-up	F	FM	Jan 2016	1.0
Access & Diversity Funds	S	FM	Aug 2015	8.0
Contracts	A	FM	Mar 2016	16.0
Year End Procedures FYE 2016	S	FM	Jun 2016	1.5
Year End Procedures FYE 2015	S	FM	Jul 2015	1.0
Print Shop	A	AX	Nov 2015	12.0
Volkswagon Academy	S	IA	May 2015	11.0
Study Abroad	S	IA	Aug 2015	13.0
Adult Education	A	IA	Oct 2015	13.0
Human Resources	A	IS	Mar 2016	28.0
Enterprise Risk Assessment	M	IS	May 2016	5.0
INV1502	I	IS	Apr 2015	3.0
INV1601	I	IS	Jul 2015	8.0
INV1602	I	IS	Dec 2015	8.0
General Consultation	C	IS	Jul 2015	12.0
Follow up Reviews	F	IS	Jul 2015	12.0
Quality Self Assessment	P	IS	Feb 2016	5.0
Special Projects-Audit Software	P	IS	Jul 2015	13.0
NACHA	S	IT	Jan 2016	14.0
CCTA	R	SS	Dec 2015	25.0
Total Planned Audit Days:				**245.5**

Estimate Days Available For Audits = 344 (2 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Cleveland State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
Purchasing 2015	A	FM	Sep 2015	20.0
PSCC-Presidential Expense Audit FYE 2015	R	FM	Sep 2015	15.0
NACHA 2016	S	FM	May 2016	15.0
Access and Diversity Funds	S	FM	Aug 2015	5.0
IA Letter MRA 2016	M	IA	Apr 2016	4.0
Study Abroad	S	IA	Oct 2015	5.0
QAR-2016	P	IS	Feb 2016	5.0
Unscheduled Investigations	I	IS	Jul 2015	5.0
INV201501	I	IS	Aug 2015	13.8
General Consultation-2016	C	IS	Jul 2015	5.0
TCAT Athens-IA Letter MRA 2016	M	IS	Jan 2016	2.0
Title IV	F	IS	Nov 2015	5.0
State Audit Follow-up	F	IS	Nov 2015	10.0
Automated Workpapers	P	IS	Aug 2015	3.7
Year End 2015	R	IS	Jul 2015	2.0
Year End 2016	R	IS	Jun 2016	1.0
User Access	A	IT	Dec 2015	10.0
CCTA Funding Formula	R	SS	Mar 2016	20.0
Total Planned Audit Days:				**146.4**

Estimate Days Available for Audits = 151 (1 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Columbia State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
IIA Quality Assurance Self-assessment	P	IS	Feb 2016	10.0
Website Development	P	IS	Aug 2015	15.0
Electronic Work Papers	P	IS	May 2015	2.7
General Consulting Services	C	IS	Jul 2015	3.0
Review Management's Risk Assessment_TCAT Pulaski	M	IS	Mar 2016	1.0
Review Management's Risk Assessment_TCAT Hohenwald	M	IS	Mar 2016	1.0
Controls Review	A	IS	Mar 2016	3.0
CCTA Funding Formula	R	SS	Oct 2015	20.0
Consumer Information Compliance Review	C	SS	Jul 2015	15.0
Return To Title IV	A	SS	Nov 2015	8.0
Federal Work-Study	A	SS	Mar 2016	4.0
Process Review	C	SS	Apr 2016	3.8
General Consulting Services	C	SS	Jul 2015	3.0
Accessibility	C	IA	Jul 2015	5.0
Study Abroad	S	IA	Sep 2015	20.0
General Consulting Services	C	IA	Jul 2015	1.0
Review Management's Risk Assessment - Instruction and Academic Suport	M	IA	Jan 2016	2.0
Controls Review	A	IA	Mar 2016	5.0
General Consulting Services	C	IT	Jul 2015	1.0
Follow-up State Audit Finding	F	IT	Jan 2016	2.0
Controls Review	A	IT	Jan 2016	4.0
General Consulting Services	C	PP	Jul 2015	2.0
Review Management's Risk Assessment - Physical Plant	M	PP	Feb 2016	1.0
General Consulting Services	C	AX	Jul 2015	1.0
Review Management's Risk Assessment - Auxiliary	M	AX	Feb 2016	1.0
General Consulting Services	C	AD	Jul 2015	3.0
Controls Review	A	AD	Jan 2016	1.0
Athletic Travel	A	AT	Jun 2016	2.5
General Consulting Services	C	AT	Jul 2015	1.0
Random Cash Counts	A	FM	Jun 2015	6.0
Access and Diversity	S	FM	Jul 2015	20.0
General Consulting Services	C	FM	Jul 2015	8.0
Review Management's Risk Assessment - Financial Management	M	FM	Nov 2015	2.0
Investigation	I	FM	Jul 2015	6.0
Total Planned Audit Days:				**184.0**

Estimate Available Days For Audits = 184 (1 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Dyersburg State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
Study Abroad	S	FM	Oct 2015	14.7
Year End Cash Counts & Bank Confirmations - 06302015	R	FM	Jun 2016	4.0
Follow-up to State Audit	F	FM	Nov 2015	3.3
Risk Assessment Financial Management	M	FM	Apr 2016	8.0
Access and Diversity Funds	S	FM	Jul 2015	14.7
Faculty Sick Leave	S	FM	Sep 2015	10.7
IIA Quality Assurance Self-Assessment	P	IS	Apr 2016	6.7
Unscheduled Investigations	I	IS	Jul 2015	8.7
Investigation 15-01	I	IS	Jul 2015	1.3
Investigation 15-02	I	IS	Aug 2015	1.3
General Consultation	C	IS	Jul 2015	6.7
PII Review	C	IS	Nov 2015	8.7
Risk Assessment Public Service	M	IS	Apr 2016	6.7
Building Security/Key Control	S	PP	Jul 2015	14.7
Federal Work Study Program and FA Fraud	S	SS	Oct 2015	13.3
Student Needs & Cash Concessions	S	SS	Mar 2016	8.0
CCTA Funding Formula	R	SS	Feb 2016	18.7
Risk Assessment Student Affairs	M	SS	Apr 2016	8.0
Total Planned Audit Days:				**158.0**

Estimate Available Days For Audits = 156.7 (1 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Jackson State Commnuity College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
Risk Assessment-Auxiliary	M	AX	May 2016	3.0
Access and Diversity Funds	S	FM	Aug 2015	17.0
VSCC President's Expense Audit	R	FM	Oct 2015	20.0
Year-end Procedures	R	FM	Jun 2016	3.0
State Audit Follow up-09012015	F	FM	Sep 2015	12.0
Study Abroad	S	IA	Oct 2015	17.0
TCAT Risk Assessment	M	IS	Feb 2016	5.0
General Consultation	C	IS	Jul 2015	25.0
IIA Quality Assurance Self-Assessment	P	IS	Apr 2016	5.0
Emergency Preparedness Follow up	F	IS	Apr 2016	5.0
Internal Audit Follow-up	F	IT	Apr 2016	5.0
CCTA Funding Formula End of Term	R	SS	Feb 2016	20.0
Risk Assessment - Student Services	M	SS	May 2016	4.0
Total Planned Audit Days:				**141.0**

Estimate Available Audit Days = 133 (1 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Motlow State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
Advancement-FY 2016	C	AD	Oct 2015	1.5
Athletics-FY 2016	C	AT	Sep 2015	1.5
Auxiliary-FY 2016	C	AX	Oct 2015	1.5
Payroll Audit	A	FM	Jul 2015	19.5
State Audit	F	FM	Nov 2015	4.0
Access and Diversity Funds	S	FM	Jul 2015	10.0
Financial Management-FY 2016	C	FM	Jul 2015	1.5
State Audit Assitance Year End	R	FM	May 2016	2.0
MRA Instruction and Academic Support	C	IA	Nov 2015	4.7
Study Abroad	S	IA	Jul 2015	10.7
Workforce Development	F	IA	Oct 2015	4.0
Instruction and Academic Support-FY 2016	C	IA	Jul 2015	1.5
Human Resources	A	IS	Jul 2015	19.4
Internal Audit Follow-ups	F	IS	Jul 2015	3.3
MRA TCAT McMinnville	M	IS	Dec 2015	3.3
MRA TCAT Murfreesboro	M	IS	Dec 2015	3.3
MRA TCAT Shelbyville	M	IS	Dec 2015	3.3
QAR Quality Assessment Review	P	IS	Feb 2016	5.3
Unscheduled Investiagations	I	IS	Sep 2015	6.7
Financial Aid	F	IS	Nov 2015	10.0
Institutional Support-FY 2016	C	IS	Oct 2015	1.5
MRA Information Technology	M	IT	Nov 2015	4.7
Information Technology	F	IT	Nov 2015	5.3
Information Technology-FY 2016	C	IT	Oct 2015	1.5
Physical Plant-FY 2016	C	PP	Oct 2015	1.5
Admissions and Registration	A	SS	Nov 2015	10.0
CCTA Funding Formula (Fall 2015 Data)	R	SS	Mar 2016	20.0
Student Services-FY 2016	C	SS	Oct 2015	1.5
Total Planned Audit Days:				**163.0**

Estimate Available Audit Days = 163 (1 staff)

Audit Types:	Functional Areas:
R - Required	AD - Advancement
A - Risk-Based (Assessed)	AT - Athletics
S - Special Request	AX - Auxiliary
I - Investigation	FM - Financial Management
P - Project (Ongoing or Recurring)	IA - Instruction & Academic Support
M - Management's Risk Assessment	IS - Institutional Support
C - Consultation	IT - Information Technology
F - Follow-up Review	PP - Physical Plant
O - Other	RS - Research
	SS - Student Services

Nashville State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
Cash Counts	S	FM	Jul 2015	4.0
Copy Machine Collections	A	FM	Nov 2015	13.0
Cash Collections	A	FM	Feb 2016	25.0
State Audit Follow-up	F	FM	Aug 2015	6.0
Year-End Work	R	FM	Dec 2015	5.0
Acess and Diversity Funds	S	FM	Sep 2015	8.8
Study Abroad	S	IA	Feb 2016	10.0
Audit Software	P	IS	Nov 2015	6.0
General Consultation	C	IS	Nov 2015	6.0
IA Follow-Up	F	IS	Feb 2016	3.0
QAR	P	IS	Nov 2015	7.7
Management's Risk Assssment - TCAT Dickson	M	IS	Jul 2015	3.0
Management's Risk Assssment - TCAT Nashville	M	IS	Jul 2015	3.0
Management's Risk Assssment - NaSCC	M	IS	May 2016	12.0
Unscheduled Investigations	I	IS	Jul 2015	13.0
INV1501	I	IS	Mar 2016	19.2
TBR IT	F	IT	Sep 2015	7.0
CCTA FF Comprehensive	R	SS	Jul 2015	20.0
Total Planned Audit Days:				**171.7**

Estimate Available Audit Days = 172 (1 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Northeast State Commnuity College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
Travel Process Review	S	FM	Jul 2015	27.0
State Audit Assistance-Yr End	R	FM	May 2016	6.0
WSCC - President's Expenses Audit	R	FM	Jul 2015	20.0
TCAT RISK Assessment	M	FM	Jan 2016	3.0
Risk Assessments-NeSCC	M	FM	Oct 2015	7.0
Access and Diversity Funds	S	FM	Jul 2015	20.0
Study Abroad	S	IA	Sep 2015	7.0
Human Resources	A	IS	Jun 2016	6.8
Electronic Workpapers Software	P	IS	Jul 2015	7.0
IIA Quality Assurance Self Study	P	IS	Feb 2016	5.0
Special Requests and Projects	S	IS	Jul 2015	7.0
General Consultation	C	IS	Jul 2015	7.0
Oher Internal Audit Follow-Up	F	IS	Jul 2015	5.0
CCTA Funding Formula	R	SS	Jan 2016	20.0
Total Planned Audit Days:				**147.8**

Estimate Available Audit Days = 146 (1 staff)

Audit Types:	Functional Areas:
R - Required	AD - Advancement
A - Risk-Based (Assessed)	AT - Athletics
S - Special Request	AX - Auxiliary
I - Investigation	FM - Financial Management
P - Project (Ongoing or Recurring)	IA - Instruction & Academic Support
M - Management's Risk Assessment	IS - Institutional Support
C - Consultation	IT - Information Technology
F - Follow-up Review	PP - Physical Plant
O - Other	RS - Research
	SS - Student Services

Pellissippi State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
Foundation	A	AD	Jul 2015	12.0
Accounts Receivable	A	FM	Mar 2016	16.0
NACHA	S	FM	Aug 2015	10.0
Internal Audit Follow Ups	F	FM	Jul 2015	5.0
Review of RFP's & other purchasing issues	P	FM	Jul 2015	5.0
MKInsight Software	P	FM	Jul 2015	8.0
Faculty Credentials	S	IA	Oct 2015	14.0
Review of Compliance Assist	C	IA	Jul 2015	8.0
Internation Education Review (TNCIS)	S	IA	Sep 2015	8.0
Quality Assurance Review	P	IS	Jan 2016	8.0
TCAT Knoxville Risk Assessment	M	IS	Jan 2016	2.0
Access and Diversity	S	IS	Jul 2015	8.0
Consulting/Special Request	C	IS	Jul 2015	12.0
PSCC - Risk Assessment Institutional Support	M	IS	Jan 2016	2.0
PSCC - Enterprise Wide Risk Assessment	M	IS	May 2016	2.0
PSCC - Risk Assessment BCS	M	IS	Dec 2015	2.0
Review of French Exchange Program	P	IS	Apr 2016	6.0
PSCC - Risk Assessment Information Technology	M	IT	Apr 2016	3.0
PSCC - IT Security Consulting, Etc.	C	IT	Jul 2015	2.0
CCTA Funding Formula	R	SS	Dec 2015	30.0
PSCC - Risk Assessment Financial Aid	M	SS	Oct 2015	2.0
Total Planned Audit Days:				**165.0**

Estimate Available Audit Days = 161 (1 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Southwest Tennessee Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
State Audit Follow Up	F	FM	Sep 2015	10.0
Cash Count	S	FM	Jul 2015	4.0
Access and Diversity Funds	S	FM	Jul 2015	14.0
Federal Perkins Loan	S	FM	Jul 2015	6.0
Federal Audit Follow up	F	FM	Jan 2016	7.0
Study Abroad	S	IA	Jul 2015	20.0
Risk Management-Institutional Support	M	IS	Dec 2015	7.0
Unscheduled Investigations	I	IS	Jul 2015	13.0
General Consultation	C	IS	Jul 2015	13.0
Audit Software	P	IS	Jul 2015	10.0
IIA Quality Assurance Self-Assessment	P	IS	Feb 2016	10.0
Internal Audit Follow Up	F	IS	Jul 2015	7.0
Risk Management TCAT	M	IS	Jun 2016	2.0
Risk Management-Technology/Services	M	IT	May 2016	7.0
Risk Management-Physical Plant	M	PP	Jul 2015	7.0
CCTA	R	SS	Jan 2016	20.0
Total Planned Audit Days:				**157.0**

Estimate Available Audit Days = 156 (1 staff)

Audit Types: Functional Areas:
R - Required   AD - Advancement
A - Risk-Based (Assessed)   AT - Athletics
S - Special Request   AX - Auxiliary
I - Investigation   FM - Financial Management
P - Project (Ongoing or Recurring)   IA - Instruction & Academic Support
M - Management's Risk Assessment   IS - Institutional Support
C - Consultation   IT - Information Technology
F - Follow-up Review   PP - Physical Plant
O - Other   RS - Research
                                                     SS - Student Services

Volunteer State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audits	Days Planned
Athletic Work Study Program	S	AT	Aug 2015	20.0
Access and Diversity Funds	S	FM	Nov 2015	20.0
State Audit Year-End Procedures	S	FM	Jun 2016	2.0
State Audit Follow-Up	F	FM	Dec 2015	5.0
Study Abroad	S	IA	Sep 2015	20.0
Management Risk Assessment	M	IS	May 2016	10.0
TCAT Hartsville Management Risk Assessment	M	IS	Feb 2016	1.0
TCAT Livingston Management Risk Assessment	M	IS	Feb 2016	1.0
QAIP Self Assessment	P	IS	Feb 2016	10.0
Follow-Up Activities	F	IS	Jul 2015	5.0
Unscheduled Investigations	I	IS	Jul 2015	5.0
General Consultation	C	IS	Jul 2015	15.0
MKI Implementation	P	IS	Jul 2015	10.0
Student Campus Activities	S	SS	Mar 2016	20.0
CCTA Funding Formula	R	SS	Jan 2016	20.0
Total Planned Audit Days:				**164.0**

Estimate Available Audit Days = 148 (1 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Walters State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audits	Days Planned
WSCC Auxiliary Risk Assessment	M	AX	May 2016	2.0
Accounts Receivable	A	FM	Jan 2016	15.0
Contracts Audit	A	FM	Jan 2016	15.0
NACHA Compliance Review	S	FM	Oct 2015	10.0
NeSCC President's Expenses	R	FM	Oct 2015	15.0
PCI-DSS	A	FM	Sep 2015	8.0
WSCC President's Expenses Audit	S	FM	Oct 2015	2.0
Community Education Risk Assessment	M	IA	May 2016	2.0
TCAT Morristown Risk Assessment	M	IS	Feb 2016	1.0
MKinsight Audit Software	P	IS	Jul 2015	20.0
WSCC Communications and Marketing Risk Assessment	M	IS	May 2016	2.0
WSCC Risk Assessment	M	IS	May 2016	1.0
Institutional Support Consulting	C	IS	Jul 2015	11.0
Quality Assessment Review	R	IS	Apr 2016	5.0
Unscheduled Investigations	I	IS	Jul 2015	5.0
Cloud Computing Audit	A	IT	Nov 2015	20.0
IT Governance	A	IT	Aug 2015	4.0
Facilities Management Risk Assessment	M	PP	May 2016	2.0
Access and Diversity Funds Grant Audit	S	SS	Aug 2015	3.0
Study Abroad Program Audit	S	SS	Oct 2015	2.0
CCTA Funding Formula - Institutional Data	R	SS	Nov 2015	20.0
Total Planned Audit Days:				**165.0**

Estimate Available Audit Days = 165 (1 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Tennessee Board of Regents - System Office
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audits	Days Planned
General Consultation	C	FM	Jul 2015	20.0
Follow up Travel Claims	F	FM	Nov 2015	5.0
TNCIS	S	FM	Jul 2015	25.0
Electronic Working Papers	P	IS	Jul 2015	25.0
Managment's Risk Assessment	M	IS	May 2016	1.0
Periodic Internal Peer Reviews (QAR)	R	IS	Jan 2016	25.0
CCTA Funding Formula	R	SS	Oct 2015	15.0
Capital Projects	A	PP	Jun 2015	15.0
TFLI Followup	F	IS	Nov 2015	15.0
Total Planned Audit Days:				**146.0**

Estimate Available Audit Days = 148 (1 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Tennessee Board of Regents - TCATs
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audit Start Date	Days Planned
Covington-IAR-Focused Review - 15	A	FM	Jun 2015	3.3
Knoxville-IAR-Focused Review - 15	A	FM	May 2015	2.5
Morristown-IAR-Focused Review - 15	A	FM	Jun 2015	2.5
Oneida-IAR-Focused Review - 15	A	FM	May 2015	2.5
Athens-IAR-Focused Review-16	A	FM	May 2016	5.0
Chattanooga-IAR-Focused Review-16	A	FM	Nov 2015	10.0
Covington-IAR-Focused Review-16	A	FM	Jun 2016	5.0
Crossville-IAR-Focused Review-16	A	FM	Oct 2015	7.0
Crump-IAR-Focused Review-16	A	FM	Nov 2015	10.0
Elizabethton-IAR-Focused Review-16	A	FM	Dec 2015	10.0
Dickson-IAR-Focused Review-16	A	FM	Mar 2016	5.0
Hartsville-IAR-Focused Review-16	A	FM	Feb 2016	6.0
Hohenwald-IAR-Focused Review-16	A	FM	Aug 2015	10.0
Jacksboro-IAR-Focused Review-16	A	FM	Sep 2015	5.0
Knoxville-IAR-Focused Review-16	A	FM	May 2016	5.0
Livingston-IAR-Focused Review-16	A	FM	Jan 2016	7.0
McKenzie-IAR-Focused Review-16	A	FM	Aug 2015	10.0
McMinnville-IAR-Focused Review-16	A	FM	Feb 2016	5.0
Memphis-IAR-Focused Review-16	A	FM	Apr 2016	6.0
Murfreesboro-IAR-Focused Review-16	A	FM	Mar 2016	5.0
Nashville-IAR-Focused Review-16	A	FM	May 2016	5.0
Newbern-IAR-Focused Review-16	A	FM	Feb 2016	5.0
Oneida-IAR-Focused Review-16	A	FM	May 2016	5.0
Paris-IAR-Focused Review-16	A	FM	Sep 2015	10.0
Pulaski-IAR-Focused Review-16	A	FM	Mar 2016	5.0
Ripley-IAR-Focused Review-16	A	FM	Apr 2016	5.0
Shelbyville-IAR-Focused-16	A	FM	Nov 2015	7.0
Whiteville-IAR-Focused Review-16	A	FM	Jan 2016	5.0
Jackson-IAR-Focused Review-16	A	FM	May 2016	5.0
Morristown-IAR-Focused Review-16	A	FM	Jan-16	5.0
Total Planned Audit Days:				**178.8**

Estimate Days Available For Audit = 182 (1 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Tennessee Board of Regents - Information Systems
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audits	Days Planned
ETSU IT GCR - 032016	A	IT	Mar 2016	15.0
UOM IT GCR - 052016	A	IT	May 2016	15.0
ChSCC IT GCR - 092015	A	IT	Sep 2015	15.0
MSCC IT GCR - 10/2015	A	IT	Oct 2015	15.0
NaSCC IT GCR - 012016	A	IT	Jan 2016	15.0
NeSCC IT GCR - 042016	A	IT	Apr 2016	15.0
VSCC ITGCR - 112015	A	IT	Nov 2015	15.0
TBR IT General Controls Review	A	IT	Jul 2015	15.0
QA Self Assessment	R	IS	Feb 2016	5.0
General IT Consultation	C	IT	Jul 2015	12.0
RODP IT General Controls Review	A	IT	Jul 2015	12.0
OIR Data Center Contract - 022016	A	IT	Feb 2016	12.0
Banner ODS Data Warehouse Project	C	IT	Jul 2015	7.5
TCAT IT Questionaire	A	IT	Sep 2015	10.0
Follow-up on all SWIA IT Audits	F	IT	Jul 2015	12.0

Provision to complete prior period audits

MTSU IT GCR				2.0
TTU IT GCR				3.0
CoSCC IT GCR				1.0
DSCC IT GCR				3.0
TBR - Information Security				3.0
Total Planned Audit Days:				**202.5**

Estimate Available Audit Days = 202 (1 staff)

Audit Types:	Functional Areas:
R - Required	AD - Advancement
A - Risk-Based (Assessed)	AT - Athletics
S - Special Request	AX - Auxiliary
I - Investigation	FM - Financial Management
P - Project (Ongoing or Recurring)	IA - Instruction & Academic Support
M - Management's Risk Assessment	IS - Institutional Support
C - Consultation	IT - Information Technology
F - Follow-up Review	PP - Physical Plant
O - Other	RS - Research
	SS - Student Services

Tennessee Board of Regent - Investigations
Internal Audit Plan
Fiscal Year Ended June 30, 2016

Audit	Type	Area	Audits	Days Planned
TBR 10-08	I	FM	Jul 2015	5.0
TBR 15-03	I	FM	Jul 2015	5.0
TBR 12-04	I	FM	Jul 2015	5.0
TBR 15-01	I	FM	Jul 2015	8.0
TBR 15-04	I	FM	Jul 2015	10.0
TBR 14-03	I	FM	Jul 2015	2.0
TBR 16-02	I	IS	Jul 2015	10.0
TBR 14-20	I	IS	Jul 2015	1.0
TBR 16-01	I	IS	Jul 2015	8.0
TBR 13-02	I	FM	Jul 2015	5.0
TBR 14-04	I	IA	Jul 2015	5.0
Investigation Management	I	IS	Jul 2015	24.0
Consultation with Campus Auditors	C	IS	Jul 2015	24.0
Unscheduled Investigations	I	FM	Jul 2015	70.0
Total Planned Audit Days:				**182.0**

Estimate Available Audit Days = 184 (1 staff)

Audit Types:
R - Required
A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
PP - Physical Plant
RS - Research
SS - Student Services

Tennessee Board of Regents
Committee on Audit

DATE: August 25, 2015

AGENDA ITEM: **Review of Hiring for Interim Internal**
                                              Audit Position

PRESENTER: Tammy Birchett

ACTION REQUIRED: Voice Vote

STAFF'S RECOMMENDATION: Approval

BACKGROUND INFORMATION:

The Committee will consider a request from the President of Roane State Community College for approval of the appointment of an existing staff member as the Interim Internal Audit Director, to become effective October 1, 2015. While the candidate has over 20 years of professional accounting experience, has been successful in positions with the College since 2011 and meets educational and other requirements of the position, the candidate does not have one of the certifications required by TBR Policy 4:01:05:00, *Internal Audit*, and does not have the audit experience required by the job description for the Community College Internal Audit Director position.

The Internal Audit policy requires an Internal Audit Director to be an active Certified Public Accountant (CPA) or Certified Internal Auditor (CIA). The position description requires a Community College Internal Audit Director to have at least 5 years of professional experience in auditing, of which up to 2 years may be substituted with accounting or related business experience. The College has requested the interim appointment to allow the candidate time to complete a training review course in internal auditing and to take the Certified Internal Auditor exam. The candidate is currently enrolled in the review course and is planning to take the exam in the coming months. In addition to passing the exam, the candidate must obtain a year of auditing experience to meet the requirements to become a CIA.

Roane State conducted a search process to fill the position during the last fiscal year and interviewed two candidates, but both candidates dropped out before an offer was made. Because of potential staffing changes in the future, based on recommendations in a recent consulting report, the College has requested this interim appointment, with the intention of removing the interim designation once requirements for the CIA are met by the candidate. As an exception to the policy, the appointment requires approval of the System-wide Chief Audit Executive and Audit Committee.

Tennessee Board of Regents
Committee on Audit

DATE: August 25, 2015

AGENDA ITEM: **Non-Public Executive Session**

PRESENTER: Tammy Birchett

ACTION REQUIRED: Informational Report

STAFF'S RECOMMENDATION: Accept Report

BACKGROUND INFORMATION:

The Committee will meet in a non-public executive session to review ongoing investigations.