tbr THE COLLEGE SYSTEM *of* TENNESSEE

TENNESSEE BOARD OF REGENTS
Committee on Audit

AGENDA
August 29, 2017

I.   INFORMATIONAL REPORTING (Mike Batson)
  a. Highlights of Audit Findings and Recommendations
  b. Comptroller's Office Audit Reports
  c. Internal Audit Reports
  d. Federal Audit Reports
  e. Review of Internal Audit Year-End Status Reports for Fiscal Year 2017

II.   CONSENT AGENDA (Mike Batson)
  a. Review of Revised Internal Audit Charters
  b. Review of Fiscal Year 2018 Internal Audit Plans

III. NON-PUBLIC EXECUTIVE SESSION (Mike Batson)

BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Highlights of Audit Findings and Recommendations

DATE: August 29, 2017

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S
RECOMMENDATION: Accept Report

The following findings and recommendations will be discussed with the Audit Committee:

- Southwest Tennessee Community College's state audit findings
  - Nine findings
    - See Comptroller's Office Audit Reports for a list of findings
- Several institutions have received findings from the Comptroller's Office regarding bank reconciliation. Issues noted include:
  - Operating, Payroll, and Foundation account bank reconcilies not being prepared within 30 days after the end of the month
  - Bank Reconciliations not containing evidence of review
The Office of System-wide Internal Audit has recommended that campuses proactively review written policies and practices to ensure that bank reconciliations are prepared and reviewed timely.
- Through the ClSCC - Emergency Preparedness Audit; the DSCC - IT Disaster Recovery Audit; and previous Fiscal Year 2017 findings at other campuses, the Office of System-wide Internal Audit recommends that campuses ensure that the Emergency Preparedness/Disaster Recovery Plans:
  - Have associated campus policies in effect that comply with TBR policies
  - Are up-to-date
  - Include well identified and addressed critical points of failure
  - Include a test plan and schedule for continuous review

- Document the campus's relationships and shared responsibilities with integral outside agencies
- Follow-up to the Special Review of Federal Work Study Program and state audit findings
  - Office of System-wide Internal Audit has issued a Risk Alert to the Internal Audit Directors to check with the office on their campus that is responsible for Work Study to ensure:
    - Students are not reporting hours worked during times when they have scheduled classes
    - Students are not reporting hours when offices are closed
    - Processes are in place to monitor these risks

These issues have been communicated to the campus auditors by conference call, email, and in our quarterly meeting. In addition, they have been discussed in Finance Committee and BASC meetings.

STATUS SUMMARY FOR PREVIOUSLY REPORTED FINDINGS

Comptroller's Audit Reports - Following 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.

Internal Audit Reports - Following is a summary on the status of previously reported findings and observations as of July 28, 2017. 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.

		TBR SWIA - Status Report on State Audit Findings (Reports sorted by Status, Institution, Report Release Date)								
Institution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Revised Date Management's Actions to be Implemented	# of Changes to Date Management's Actions to be Implemented	Initial Date of Internal Audit Follow-up	Most Recent Date of Internal Audit Follow-up	Status
NeSCC	7-Sep-16	NeSCC FY 2014-15: LOU-NeSCC did not provide adequate internal controls in four specific areas	CIO	15-Jan-17	31-Aug-17	2	23-Mar-17	27-Jul-17	In Progress
RSCC	7-Sep-16	RSCC FY 2014-15: LOU- Management did not provide adequate internal controls in three specific areas	CIO	15-Jan-17	31-May-17	2	1-Mar-17		In Progress
STCC	29-Jun-17	STCC FY 2014-15: Management needs to improve procedures for preparing and reviewing financial statements to prevent errors.		1-Dec-17		0			Not Yet Due
STCC	29-Jun-17	STCC FY 2014-15: The college has not properly reported the costs associated with construction projects.		1-Dec-17		0			Not Yet Due
STCC	29-Jun-17	STCC FY 2014-15:- The college did not enroll new employees in the defined benefit portion of the state's retirement plan.		1-Dec-17		0			Not Yet Due
STCC	29-Jun-17	STCC FY 2014-15: Management did not approve employee timesheets prior to payroll preparation.		1-Dec-17		0			Not Yet Due
STCC	29-Jun-17	STCC FY 2014-15: The college does not have controls in place to ensure compliance with the requirements of the Federal Work Study program.		1-Dec-17		0			Not Yet Due
STCC	29-Jun-17	STCC FY 2014-15: The college did not prepare proper bank reconciliations.		1-Dec-17		0			Not Yet Due
STCC	29-Jun-17	STCC FY 2014-15:- The college did not have adequate controls over credit cards.		1-Dec-17		0			Not Yet Due
STCC	29-Jun-17	STCC FY 2014-15: The college did not perform reconciliations between the Raiser's Edge, Banner Advancement, and Banner Finance systems.		1-Dec-17		0			Not Yet Due
STCC	29-Jun-17	STCC FY 2014-15: LOU- As noted in the prior audit, the college did not provide adequate internal controls in five specific areas.	CIO	1-Dec-17		0			Not Yet Due

TBR SWIA - Status Report on Internal Audit Recommendations- Community Colleges								
(Reports sorted by Status, Institution, Report Release Date)								

Institution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Revised Date Management's Actions to be Implemented	# of Changes to Date Management's Actions to be Implemented	Initial Date of Internal Audit Follow-up	Most Recent Date of Internal Audit Follow-up	Status
ClSCC	13-Feb-17	ClSCC- Building Access and Keys December 2016 Management should develop a key agreement or use the one offered by Keystone (key management software) if it is acceptable.	Assistant VP of Finance	30-Jun-17		0	26-Jul-17		Action Completed
ClSCC	13-Feb-17	ClSCC Building Access and Keys December 2016 Key Request forms should be filed alphabetically by employee name and marked as active or inactive status. This would help with record retention as key request forms should be maintained for five years after employment has ceased per TBR rules.	Assistant VP of Finance	28-Apr-17	30-Jun-17	1	25-Jul-17		Action Completed
ClSCC	28-Mar-17	ClSCC - Financial Reports/Payment Requests Needs to be approved by someone to help report data accuracy and correctness.	V.P of Finance and Advancement	31-May-17	30-Apr-17	1	5-May-17		Action Completed
ClSCC	25-May-17	The new electronic leave request system helps to reduce the potential for abuse since it eliminates the need for paper requests. Supervisors remain responsible for ensuring employees are filing appropriate requests, and authorizing their use of leave. New procedures should be developed to ensure employees and their supervisors comply with leave policy. Management should ensure the leave balance for the Marketing employee is adjusted to account for the annual leave that was not recorded. In addition, management should determine appropriate disciplinary action for the employee and supervisor.	Assistant Vice President of Finance	31-Jul-17		0	25-Jul-17		Action Completed
VSCC	11-Jan-17	Management should ensure that all programs are reported with the correct Major Code and are properly classified as long-term or short-term certificate programs.	Director of Admissions and College Registrar Jane McGuire, Vice President of IERPA			0	28-Jul-17		Action Completed
VSCC	11-Jan-17	Management should ensure that course credit type is reported correctly in the End of Term data.	Director of Admissions and College Registrar Jane McGuire, Vice President of IERPA			0	28-Jul-17		Action Completed
ChSCC	31-Jul-14	IT Disaster Recovery Plan 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	30-Sep-14	31-Dec-17	4	4-Dec-14	12-May-17	In Progress
ChSCC	31-Jul-14	IT Disaster Recovery Plan 2 of 7: As a departmental joint project, evaluate the effect of a disaster on departmental servers and complete departmental DRP's.	AVP ITS	31-Mar-15	31-Dec-17	4	4-Dec-14	12-May-17	In Progress

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ChSCC	31-Jul-14	IT Disaster Recovery Plan 3 of 7: Complete the service level agreements with ChSCC departments for each application and/or the department as a whole.	AVP ITS	31-Mar-15	31-Dec-17	4	4-Dec-14	12-May-17	In Progress
ChSCC	31-Jul-14	IT Disaster Recovery Plan 4 of 7: An equipment inventory should be included in each Department's DRP.	AVP ITS	30-Sep-14	31-Dec-17	3	4-Dec-14	12-May-17	In Progress
ChSCC	29-Jun-16	An internal control step should be developed to include review of the Volkswagen Academy Workforce Training Contact Hours spreadsheet by the Dean of Engineering and Information Technologies and/or the Volkswagen/Mechatronics Department Manager before the training data is submitted to the Economic and Community Development department for inclusion into the workforce training contact hour totals for the college.	Dean of Engineering & Information Technologies/ Director Continuing Education and Workforce Development	31-Aug-16	30-Jun-17	1	31-Jan-17		In Progress
ChSCC	13-Jan-17	Any forms or policies that state that final paychecks can be held for any reason are revised to conform to Tennessee State law.	Executive VP of Business and Finance and Executive Director of Physical Plant	31-Mar-17	31-Jul-17	1	5-May-17		In Progress
ChSCC	13-Jan-17	A self audit of employee keys should be completed by each campus department/division with the assistance of the Plant Operations staff. The self-audit should include the following tasks: o Comparison of hardcopy key agreements to the Keystone software database should be completed for discrepancies noted during the department/divisional reviews. o An amended Key Agreement form should be obtained for all employees that have keys issued to them as necessary to update the key documentation file to match the Keystone database and the actual keys issued. o Any terminated employees should be removed from the Keystone database and hardcopy documentation should be filed in the terminated employee files. If outstanding keys are known, they should be collected from the terminated employee if at all possible. o Any temporary or adjunct employees on the Keystone employee key listing and their supervisor or department head should be contacted to get their keys issued correctly through their departmental key coordinator. o Sub-Master, Master, and Grand Master key assignments should be reviewed by the appropriate Vice-President or President to ensure that an employee's assigned duties still require this level of access.	Executive Management and all their corresponding mangers	31-Mar-17	31-Jul-17	1	5-May-17		In Progress

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ChSCC	13-Jan-17	ChSCC Keys and Locking Systems policies and procedures should be updated to provide for exceptions such as vendors noting the level of approval that must be obtained for an exception.	Executive VP Business and Finance	31-Mar-17	31-Jul-17	1	5-May-17		In Progress
ClSCC	13-Feb-17	Clscc Building Access and Keys December2016 Management should update the key listing to show the current keys outstanding.	Assistant VP of Finance	30-Jun-17	31-Aug-17	1	26-Jul-17		In Progress
ClSCC	13-Feb-17	ClSCC Building Access and Keys December 2016 Employees for whom the key request is made should sign the key request form as receiving.	Assistant VP of Finance	30-Jun-17	31-Aug-17	1	26-Jul-17		In Progress
ClSCC	13-Feb-17	ClSCC Building Access and Keys December 2016 Management should issue the correct keys and collect the Grand Master key from the employee.	Assistant VP f Finance	30-Jun-17	31-Aug-17	1	26-Jul-17		In Progress
ClSCC	13-Feb-17	ClSCC Building Access and Keys December 2016. HR should be given access to Keystone software for the purposes of removing keys from the Keystone software for terminated employees only.	Assistant VP of Finance	3-Jul-17	31-Aug-17	1	26-Jul-17		In Progress
ClSCC	25-May-17	Management should ensure employees are aware of the correct procedures for alternate work arrangements, and supervisors comply with TBR policy 5:01:01:20 when authorizing them. The College must establish an internal procedure to review and approve or deny the requests as required by the policy.	Director of Human Resources	31-Jul-17	31-Jul-17	1	25-Jul-17		In Progress
CoSCC	19-Feb-16	The college applied the Banner "tuition and fee waiver" without an approved or documented exception to TBR and Columbia State policies. All instances of the Banner "Tuition and Fees Waiver" should be reviewed to ensure that assessments of fees and charges occur unless an exception is approved and documented.	Business Manager	1-Apr-16	1-May-17	2	9-Sep-16	19-Jul-17	In Progress

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CoSCC	20-May-16	Workforce Development collects data for two main reporting purposes 1) internal reports that provide course data such as number and types of courses, contact hours, and course profit/loss data, and 2) an external annual Economic and Workforce Development Contact Hours report submitted to TBR that summarizes the number and types of courses and total contact hours. The total contact hours reported through the annual Economic and Workforce Development Contact Hours report have a direct impact on the college's state funding. The test work revealed that the total contact hours reflected on the 2014-2015 Economic and Workforce Development Contact Hours report were understated by 1,124 hours. The 1,124 unreported hours equate to a loss of approximately $6,100 in state formula funding. Discussion with the Interim Executive Director for Workforce Development identified a number of possible factors that led to the inaccuracies identified, including recent turnover of leadership and clerical support resulting in inconsistent or revised data entry standards, and a lack of or inconsistent application of independent reviews. Workforce development could improve reporting accuracy by strengthening segregation of duties, and ensuring data is independently reviewed and reconciled. Management's Action Plan: Management concurs with the recommendation, and will take actions to strengthen controls, including refresher training on database features and course data entry standards, pairing segregated data entry with independent reviews, and ensuring management conducts database reconciliations at least quarterly.	Executive Director, Workforce Development	1-Jul-16	30-Jun-17	2	30-Aug-16	13-Jun-17	In Progress

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CoSCC	3-Mar-17	Risk: Lack of progress toward institutional objectives and failure to comply with Federal or grant requirements due to poor internal communication, or lack of delegated responsibility Management has successfully established processes and procedures that provide effective communication between departments and that assist the institution toward objectives. These include data reviews by the Program Director and Business Services prior to submitting financial reports, and by the Grants Officer prior to submitting outcomes or program data. In addition, Business Services and Program Directors communicate frequently on budgets, special grantor requests, monthly expenditures, and contract agreements. However, a lack of information and communication were the root cause of reporting and compliance issues. The issues discovered during the engagement included late and incomplete invoicing, failure to submit the Single Audit report to grantors, insufficient budget monitoring, and The Grants Officer should establish stronger controls over federal grants in order to clearly assign compliance responsibility, reduce duplicate work, establish budget monitoring, and ensure timely and accurate reporting. The Vice President Financial & Administrative Services and the Grants Officer should review the current budget monitoring processes to ensure that budget information is available to project directors in a timely manner and budgets are spent at a reasonable rate.	Grants Officer Vice President for Financial & Administrative Services	30-Jun-17		0	7-Jun-17		In Progress

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CoSCC	3-Mar-17	Risk: Staff responsible for initiating or processing grant transactions lack competencies. COSO principle 4 outlines that a strong control environment is demonstrated through a commitment to attract, develop, and retain competent individuals. The Standards for Internal Control in the Federal Government (Green Book), lists training as a method for developing competencies appropriate for key roles. A lack of training were the root cause of a number of issues identified during the engagement. The Grants Officer should establish methods for educating grant paid staff on requirements imposed by the grantor and the Federal government, and requirements associated with maintaining and disposing of institution and grant-specific records. Project Directors should be required to attend grant specific training. Institution-wide training on records management would assist Columbia State with managing compliance with Federal, State, and TBR records requirements.	Grants Officer	30-Jun-17		0	7-Jun-17		In Progress
JSCC	24-Oct-14	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.	Director of Environmental Health and Safety/Chief of Police	8-May-15	31-Dec-17	1	30-Mar-17		In Progress
JSCC	24-Oct-14	JSCC - 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.	Director of Environmental Health and Safety/Chief of Police	24-Oct-14	31-Dec-17	2	30-Mar-17		In Progress
JSCC	30-Oct-15	JSCC-Access and Diversity Recommendation 1 Of 4: The institution should develop Access and Diversity goals for the overall program and ensure that funds are spent according to established goals.	Director of Human Resources	1-Apr-16		2	24-Apr-17		In Progress

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JSCC	30-Oct-15	JSCC-Access and Diversity Recommendation 2 of 4: Scholarships awarded by the Access and Diversity Committee should be reconciled to expenditures.	Director of Human Resources	1-May-16		0	24-Apr-17		In Progress
JSCC	30-Oct-15	JSCC - Access and Diversity Recommendation 3 of 4: Scholarship applications should be maintained for a period of time as supporting documentation. A suggested time for retention would be 5 years.	Dean of Students/Director of Human Resources	1-May-16		0	24-Apr-17		In Progress
JSCC	30-Oct-15	JSCC-Access and Diversity Recommendation 4 of 4: The TBR Office of Organizational Effectiveness and Strategic Initiatives should approve scholarship criteria, salaries, and transfers.	Director of Human Resources	1-May-16		0	24-Apr-17		In Progress
JSCC	19-Feb-16	JSCC-IAR-Off-Camus International Education Program Recommendation 1 of 2: Students should be registered for international education programs at their institution according to the TBR Guideline A-076 and the TnCIS Operational Handbook. Institutional registration should include recording appropriate student fees, student payments, and administering any financial aid and scholarships.	International Activities Coordinator	1-Jun-16		0	24-Apr-17		In Progress
JSCC	19-Feb-16	Off-Campus International Education programs - Management should ensure that appropriate dual service contracts are in place with TnCIS for institutional faculty teaching abroad according to the TnCIS Operational Handbook section 3.2.9. The TnCIS office should complete the dual service contract upon receipt of an approved institutional approval form from the institution.	International Activities Coordinator	1-Jun-16		0	24-Apr-17		In Progress
STCC	2-May-15	STCC-Industrial Readiness Grants Finding 1 of 1: The first year grant projections were not achieved.	Director of Grants Management	30-Oct-15	31-Aug-17	1	30-Jun-17		In Progress
STCC	5-May-15	STCC-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	30-Oct-15		0	30-Jun-17		In Progress
STCC	31-Jul-15	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.	Technical clerk of Physical Plant	1-Aug-15	31-Aug-17	1	30-Jun-17		In Progress

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STCC	3-Mar-16	STCC-International Education Program-Collection Procedures. TBR Policy: B-010 Collection of Accounts Receivable requires each institution to establish a written systematic process and procedure for collecting receivables from all persons including students and employees. The Finance Department, follows TBR guidance, but must establish a systematic process and procedure for Southwest Tennessee Community College.	Director of International Education Program	31-Aug-16	31-Aug-17	1	30-Jun-17		In Progress
STCC	3-Mar-16	SSTC-International Education Program-Waivers TBR Guidelines A-76 Development and Operations of Off-Campus International Educational programs states "Institutions should not charge tuition for students enrolled in TNCIS Study Abroad program. Two students were charged tuition. A procedure should be put in place to ensure TnCIS students are not charged tuition.	Director of Finance	31-Aug-16	31-Aug-17	1	30-Jun-17		In Progress
STCC	28-Oct-15	Access and Diversity The Special Academic department should improve internal controls and procedures over Access and Diversity reports. A. The quarterly report should be signed by the Diversity Officer, Business Officer and Financial Aid Director to validate the data reported. B. The department should have segregation of duties by requiring supervisor approval of all expenditures. Currently, the Executive Director of Special Academic Programs initiates and approves all expense for Access and Diversity funds. C. Scholarships awarded to relatives of Institutional personnel, where an actual conflict of interest or perception of a conflict of interest exists, should be subject to a higher level of authorization. D. The Special Academic Program should submit accounts payable invoices to the Finance department, for processing, in a timely manner. Three invoices were not paid within 45 days.	Executive Director, Special Academic Programs	29-Apr-16	30-Jun-17	1	30-Jun-17		Not Yet Due

TBR SWIA - Status Report on Internal Audit Recommendations- Community Colleges
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STCC	28-Oct-15	Access and Diversity The Special Academic department should improve program controls over Access and Diversity funds. A. The scholarship criteria and selection process should be provided to TBR OESI on an annual basis or anytime the college changes the criteria or process. B. Scholarships should be awarded in accordance with stated criteria submitted to TBR OESI. The 93 scholarships issued were reviewed, with 15 recipients noted as not meeting the scholarship criteria. Seven students receiving scholarships did not complete a FAFSA. Five students were not enrolled in at least six credit hours. Three student did not meet one of the additional criteria. C. Service hour requirements are not allowed for Access and Diversity scholarship recipients according to TBR Policy 3:04:01.00, Student Scholarship, Grants, Loans and Financial Aid. The college should eliminate the requirement. D. Access and Diversity scholarships are issued at the end of the semester. The scholarships should be paid using the same process the college follows for all other student financial aid. E. Prior written approval from TBR OESI should be obtained for personnel expenses paid each fiscal year.	Executive Director, Special Academic Programs	29-Apr-16		0	30-Jun-17		Action Completed
STCC	28-Oct-15	Access and Diversity Diversity Funds and ensure funds are budgeted and used in accordance with the college's Access and diversity goals. A. Written Processes and procedures and oversight controls should be put in place to ensure that funds are properly managed, executed and used for the purposes intended. B. A committee should be created to review the Access and diversity process. They should establish goals for the department's expenditures; scholarship criteria, student recruitment and retention and faculty recruitment and retention. Quarterly or semester reports should be issued to the committee showing a summary of how the funds are used, the number of scholarships issued by demographics and recruitment and retention projects.	Executive Director, Special Academic Programs	29-Apr-16	31-Jul-17	1	30-Jun-17		Action Completed

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STCC	28-Oct-15	Access and Diversity The Finance department should improve internal controls and procedures over the Access and Diversity reports. A. Access and Diversity funds should be recorded in three cost centers in the amount allocated to those categories by TBR OESI; Scholarships and Fellowships, Student Recruitment and Retention and Faculty/Staff Recruitment and Retention. The college has continued to use cost centers for categories of funds which are not a part of Access and Diversity. B. The quarterly Report should agree with Banner. The amounts reported to TBR OESI as match and carryover funds for the Fiscal Year ended June 30, 2014 and June 30, 2015 did not agree with Banner and should be corrected and resubmitted. Exhibits 1 and 2 in this report agree with the amounts recorded in Banner. C. Carryover funds should be recalculated and Fund Balances should be adjusted to recognize the correct amounts in Access and Diversity funds. Since the inception of Access and Diversity programs, the revenue was posted to incorrect cost centers. D. The Ambassador process for paying students should be reviewed with the Human Resources and Finance department to determine if payments should be processed through payroll rather than accounts payable.	Executive Director, Special Academic Programs	29-Apr-16	30-Aug-17	1	30-Jun-17		Action Completed

		TBR SWIA - Status Report on Internal Audit Recommendations- TCAT (Reports sorted by Status, Institution, Report Release Date)								
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Paris	26-Jun-17	Focused Review: Finding 1 of 1: The procedures used for collections by the school do not comply with the TBR Guideline.	Director	31-Dec-15	2-Jan-17	1	3-Feb-17		Action Completed
Covington	3-Mar-16	Focused Review of Operations - Covington Account with collection agency should be established The procedures used for collections by the school do not comply with the TBR Guideline.	Director	1-Jul-16	29-Dec-17	1	10-Oct-16		In Progress
Covington	3-Mar-16	Focused Review of Operations - Covington Management's review of the accounts receivable reconciliation is not documented by signing and dating the reconciliation.	Director	1-Jul-16	29-Dec-17	1	10-Oct-16		In Progress
Covington	3-Mar-16	Focused Review of Operations - Covington - Management has used an alternative method of sending 1 collection letter with all the required data in the past, which is allowed if collection efforts are not compromised. The current student receivable balance, $69,904.00, is material and sending only 1 debt notification letter could be a factor.	Director	30-Jun-16	29-Dec-17	2	10-Oct-16		In Progress
McKenzie	11-Nov-14	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	31-Dec-15	29-Dec-17	1	3-Feb-17		In Progress
Memphis	9-Jan-15	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	30-Jun-15	29-Dec-17	2	1-Nov-16		In Progress
Ripley	1-Jun-16	The procedures used for collections by the school do not comply with the TBR Guideline.	Fiscal and HR Coordinator and Robbie Camara, Account Clerk II	30-Jun-16	1-Jul-16	1	7-Nov-16		In Progress
Ripley	1-Jun-16	Managements review of the accounts receivable reconciliation is not documented by signing and dating the reconciliation.	Fiscal and HR Coordinator and Robbie Camara, Account Clerk II	30-Jun-16	1-Jul-16	1	7-Nov-16		In Progress
Ripley	26-May-17	Three of 10 (30%) student files tested for compliance with consumer information, including FERPA, the orientation checklists were missing or not signed by the students to document agreement in accordance with federal regulations.	Financial Aid	1-Dec-16		0	30-Jun-17		Not Yet Due

Institution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Revised Date Management's Actions to be Implemented	# of Changes to Date Management's Actions to be Implemented	Initial Date of Internal Audit Follow-up	Most Recent Date of Internal Audit Follow-up	Status
ChSCC	12-Apr-16	ChSCC ITGCR: Firewall Config update Remove older and/or unused rules in the firewall configuration to eliminate the risk of these rules being in appropriately used	AVP/CIO	3-Oct-16	21-Jul-17	5	28-Jul-17		Action Completed
ChSCC	12-Apr-16	ChSCC ITGCR: Access to the server room Enhance physical security of the server room to better ensure no unauthorized persons can easily access the servers.	AVP/CIO	3-Oct-16	30-Jun-17	2	28-Jun-17		Action Completed
ChSCC	12-Apr-16	ChSCC ITGCR: Chain of custody procedure Establish a process to gather, store and protect information on computer hard drives when circumstances require management retrieve and retain such information.	AVP/CIO	3-Oct-16	30-Jun-17	4	14-Jun-17		Action Completed
CoSCC	24-Jul-15	CoSCC - IT GCR - Observation 13 of 16: 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.	Associate VP for IT	31-Jan-16	2-Jun-17	3	28-Jun-17		Action Completed
NaSCC	15-Aug-16	NaSCC ITGCR: 4 of 13 Assignment and roles of ISO and BCP Coordinator Identify the responsibilities for the assigned roles of the Information Security Officer and the Business Continuity Coordinator.	CIO	15-Feb-17	30-Jun-17	1	28-Jun-17		Action Completed
NaSCC	15-Aug-16	NaSCC ITGCR # 5 - Detecting unauthorized devices on the network - Complete the implementation of the SonicWall product to allow CSD to better identify unauthorized hardware on the network.	CIO	15-Feb-17	30-Jun-17	1	28-Jun-17		Action Completed
ROCC	2-Mar-16	ROCC IT General Controls Review: Enhance the Information Security Program with its associated policies, in coordination with the comprehensive information security program being developed by the TBR System Office, to address the business security processes of data ownership, classification, and dissemination standards.	Director of Technology	7-Oct-16	31-Aug-17	5	31-Jul-17		Action Completed
ROCC	2-Mar-16	ROCC IT GCR Develop the following procedures: o Change Management o Vendor Management o Logging and Monitoring o Incident Response	CIO	7-Oct-16	15-Jun-17	4	29-Jun-17		Action Completed
ROCC	2-Mar-16	ROCC: Evaluate whether IT positions should require a background check before a newly hired employee begins work.	Director of Technology	7-Oct-16	15-Jun-17	4	29-Jun-17		Action Completed
ROCC	2-Mar-16	ROCC: Evaluate the need to have estimates of cost and timing for projects proposed I as a result of the ROCC Strategic Plan for use in prioritization and scheduling.	Director of Technology	7-Oct-16	15-Jun-17	4	29-Jun-17		Action Completed
STCC	27-Mar-17	STCC Info Security VERBAL - Use of social engineering testing - Consider performing social engineering tests following the completion of the Awareness training to ensure the success of the training received.	Michael Boyd	27-Mar-17		0	27-Mar-17		Action Completed

		TBR SWIA - Status Report on Internal Audit Recommendations- Information Systems (Reports sorted by Status, Institution, Report Release Date)								
Institution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Revised Date Management's Actions to be Implemented	# of Changes to Date Management's Actions to be Implemented	Initial Date of Internal Audit Follow-up	Most Recent Date of Internal Audit Follow-up	Status
WSCC	2-Mar-16	WSCC ITGCR: Vendor Management process Initiate a process, following the implementation of the new vendor management procedure, to ensure vendors with possible access to sensitive WSCC information in the conduct of their business are monitored to ensure they abide by college information security standards and other key policies that apply.	Joe Sargent	30-Sep-16	5-Jun-17	3	9-Jun-17		Action Completed
WSCC	2-Mar-16	WSCC ITGCR: Procedure Deficiencies Develop and implement comprehensive information technology procedures for: a. 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. b. Project Documentation that establishes a standard regarding how IET projects, other than the implementation of Banner program code, will be documented. c. Vendor Management that describes how the Information Technology Department 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 Admin e. 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. f. Incident Response Plan that defines how unauthorized access attempts and information breaches are documented and handled according to requirements		30-Sep-16	31-Mar-17	2	9-Jun-17		Action Completed
ChSCC	12-Apr-16	ChSCC ITGCR: Need for BCP Enhance the college-wide Business Continuity Plan to ensure planning for and documentation of: a. A business impact analysis that identifies the impact of disasters on the ability to educate students, so 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 can be developed. b. Amendments to 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. c. A test plan and documentation of periodic testing conducted to ensure the plan's effectiveness for recovery. This should begin with testing recoverability of data backed up using the recently implemented process	AVP/CIO	3-Oct-16	30-Dec-17	2	14-Jul-17		In Progress

Institution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Revised Date Management's Actions to be Implemented	# of Changes to Date Management's Actions to be Implemented	Initial Date of Internal Audit Follow-up	Most Recent Date of Internal Audit Follow-up	Status
ChSCC	12-Apr-16	ChSCC ITGCR: Logging deficiency #2 Review and update the current information security alerts from vendor products to better serve the college's needs.	AVP/CIO	3-Oct-16	30-Oct-17	4	28-Jun-17		In Progress
ClSCC	6-Apr-15	ClSCC: "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	1-Dec-15	30-Dec-17	3	14-Jul-17		In Progress
ClSCC	6-Apr-15	ClSCC: "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	1-Dec-15	30-Dec-17	3	14-Jul-17		In Progress
CoSCC	24-Jul-15	CoSCC - IT GCR - Observation 6 of 16: 6. 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 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. b. 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.	Associate VP for IT	31-Jan-16	30-Dec-17	3	14-Jul-17		In Progress
CoSCC	24-Jul-15	CoSCC - IT GCR - Observation 7 of 16: 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.	Associate VP for IT	31-Jan-16	30-Dec-17	3	14-Jul-17		In Progress

TBR SWIA - Status Report on Internal Audit Recommendations- Information Systems
(Reports sorted by Status, Institution, Report Release Date)

		TBR SWIA - Status Report on Internal Audit Recommendations- Information Systems (Reports sorted by Status, Institution, Report Release Date)								
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DSCC	14-Aug-15	DSCC - IT GCR - Observation 10 of 15: 10. 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 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. b. Secondary and tertiary assignments for persons in the event personnel are not available at the time of a disaster. c. 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. d. A test plan and documentation of periodic testing conducted to ensure the plan's effectiveness for recovery.	VP for Technology	1-Apr-16	30-Dec-17	3	14-Jul-17		In Progress
JSCC	8-Sep-14	JSCC: 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	31-Mar-15	30-Dec-17	3	14-Jul-17		In Progress
JSCC	8-Sep-14	JSCC: 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	31-Mar-15	30-Dec-17	3	14-Jul-17		In Progress
MSCC	15-Apr-16	MSCC IT GCR: Need for Business Continuity Plan and Disaster Recovery Plan 1. Enhance and implement a comprehensive university-wide BCP that identifies business recovery strategies, business resumption processes and business recovery requirements for the entire university. Also include possible adjustments in backup assignments in the event of a pandemic sickness crisis. 2. Implement a plan to test the BCP periodically and document the results of such testing. 3. Revamp the IT Disaster Recovery section of the BCP for changes needed to meet business requirements	CIO	14-Oct-16	30-Dec-17	2	14-Jul-17		In Progress
NaSCC	15-Aug-16	NaSCC ITGCR # 10 - Improved Topology Diagram - Update the current network topology diagram to better depict the college's network, its ingress/egress points and the layered security in place at each of these points	CIO	15-Feb-17	25-Aug-17	2	28-Jun-17		In Progress

| Institution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Revised Date Management's Actions to be Implemented	# of Changes to Date Management's Actions to be Implemented	Initial Date of Internal Audit Follow-up	Most Recent Date of Internal Audit Follow-up	Status
PSCC	3-Sep-14	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	31-Mar-15	30-Dec-17	4	14-Jul-17		In Progress
ROCC	2-Mar-16	ROCC monies appear to be spent on computer devices that are possibly not being used for ROCC purposes and/or not being managed in the same manner that other computer devices are to ensure effective asset management. Consider documenting a process for how this unit will function, improve the equipment inventory to allow equipment use and life to be tracked for asset management, and consider retrieving items that are not being utilized to match the new documented program criteria.	TBD	7-Oct-16	31-Aug-17	3	29-Jun-17		In Progress
RSCC	17-Apr-15	RSCC: 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	31-Jul-15	30-Dec-17	4	14-Jul-17		In Progress
RSCC	17-Apr-15	RSCC: "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	31-Jul-15	30-Dec-17	4	14-Jul-17		In Progress

TBR SWIA - Status Report on Internal Audit Recommendations- Information Systems
(Reports sorted by Status, Institution, Report Release Date)

		TBR SWIA - Status Report on Internal Audit Recommendations- Information Systems **(Reports sorted by Status, Institution, Report Release Date)**								
Institution	**Report Release Date**	**Recommendation**	**Responsible Staff**	**Date Management's Actions to be Implemented**	**Revised Date Management's Actions to be Implemented**	**# of Changes to Date Management's Actions to be Implemented**	**Initial Date of Internal Audit Follow-up**	**Most Recent Date of Internal Audit Follow-up**	**Status**
STCC	6-Jul-15	STCC: 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	4-Jan-16	30-Dec-17	3	14-Jul-17		In Progress
STCC	6-Jul-15	STCC: 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	4-Jan-16	30-Dec-17	3	14-Jul-17		In Progress
TBR	2-Mar-16	Revamp the IT Disaster Recovery section of the BCP for changes needed to meet business requirements	Director of Technology.	7-Oct-16	30-Dec-17	2	14-Jul-17		In Progress
TBR	2-Mar-16	Implement a plan to test the BCP and IT DRP periodically and document the results of such testing	Director of Technology.	30-Sep-16	30-Dec-17	2	14-Jul-17		In Progress
TBR	23-May-14	"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	1-Dec-14	11-Aug-17	5	28-Jul-17		In Progress
TBR	23-May-14	"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	1-Jun-15	11-Aug-17	5	28-Jul-17		In Progress
TBR	23-May-14	"IT General Controls Review: Recommendation 16 of 16: Reassess and document the process for logging and monitoring system utilization data and alerts."	CIO	1-Dec-14	11-Aug-17	5	28-Jul-17		In Progress
VSCC	13-May-16	VSCC ITGCR: Develop comprehensive information technology procedures for vendor management, network administration, logging and monitoring, and incident response.	CIO	30-Nov-16	31-Aug-17	3	14-Jul-17		In Progress
VSCC	13-May-16	VSCC: Begin documenting the annual process to review to identify and approval for updated policy changes.	CIO	30-Nov-16	31-Aug-17	3	14-Jul-17		In Progress
VSCC	13-May-16	VSCC ITGCR: Define the duties associated with the positions of an ISO and the BCP Coordinator.	CIO	30-Nov-16	31-Aug-17	3	14-Jul-17		In Progress

TBR SWIA - Status Report on Internal Audit Recommendations- Information Systems (Reports sorted by Status, Institution, Report Release Date)									
Institution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Revised Date Management's Actions to be Implemented	# of Changes to Date Management's Actions to be Implemented	Initial Date of Internal Audit Follow-up	Most Recent Date of Internal Audit Follow-up	Status
VSCC	13-May-16	VSCC ITGCR: Cloud strategy Document your strategy for moving data to the cloud that includes the type of cloud environment needed and data security requirements.	CIO	30-Nov-16	31-Aug-17	4	14-Jul-17		In Progress
VSCC	13-May-16	VSCC: Enhance and implement a comprehensive university-wide BCP that identifies business recovery strategies, business resumption processes and business recovery requirements for the entire university. Also include possible adjustments in backup assignments in the event of a pandemic sickness crisis.	CIO	30-Nov-16	30-Dec-17	2	14-Jul-17		In Progress
VSCC	13-May-16	VSCC ITGCR: Adjust IT DRP with BCP input Revamp the IT Disaster Recovery section of the BCP for changes needed to meet business requirements.	CIO	30-Nov-16	30-Dec-17	2	14-Jul-17		In Progress
VSCC	13-May-16	VSCC ITGCR: Test Plan for BCP/IT DRP Implement a plan to test the BCP periodically and document the results of such testing.	CIO	30-Nov-16	30-Dec-17	3	14-Jul-17		In Progress
VSCC	13-May-16	VSCC ITGCR: Chain of custody procedure Enhance and document the process to confiscation computer hard drives when such may be required for legal purposes	CIO	30-Nov-16	31-Aug-17	3	14-Jul-17		In Progress
WSCC	2-Mar-16	WSCC ITGCR: Enhance BCP Enhance the college-wide Business Continuity Plan to ensure planning for and documentation of a business impact analysis that identifies the impact of disasters on the ability to educate students, so 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 can be developed.	CIO	30-Sep-16	30-Dec-17	2	14-Jul-17		In Progress
WSCC	2-Mar-16	WSCC ITGCR: DRP revision for BCP 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	30-Sep-16	30-Dec-17	2	14-Jul-17		In Progress
WSCC	2-Mar-16	WSCC ITGCR: Testing Plan for BCP A test plan and documentation of periodic testing conducted to ensure the plan's effectiveness for recovery. This should begin with testing recoverability of data backed up using the recently implemented process.	CIO	30-Sep-16	30-Dec-17	2	14-Jul-17		In Progress
	2-Mar-16	Implement a comprehensive business-wide BCP that identifies business recovery strategies, business resumption processes and business recovery requirements for the entire office.	Director of Technology	7-Oct-16	30-Dec-17	2	14-Jul-17		In Progress

		TBR SWIA - Status Report on Internal Audit Recommendations- Information Systems (Reports sorted by Status, Institution, Report Release Date)								
Institution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Revised Date Management's Actions to be Implemented	# of Changes to Date Management's Actions to be Implemented	Initial Date of Internal Audit Follow-up	Most Recent Date of Internal Audit Follow-up	Status
NeSCC	17-Feb-17	NeSCC ITGCR # 10 - Business Continuity - 1) Enhance and implement a comprehensive university-wide BCP that identifies business recovery strategies, business resumption processes and business recovery requirements for the entire university. Also include possible adjustments in backup assignments in the event of a pandemic sickness crisis. 2) Implement a plan to test the BCP periodically and document the results of such testing. 3) Revamp the CSD Disaster Recovery section of the BCP for changes needed to meet business requirements.	CIO	1-May-17	30-Dec-17	2	14-Jul-17		Not Yet Due

| | | TBR SWIA - Status Report on Internal Audit Recommendations- TFLI | | | | | | | |
| | | (Reports sorted by Status, Institution, Report Release Date) | | | | | | | |
Institution	Report Release Date	Recommendation	Responsible Staff	Date Management's Actions to be Implemented	Revised Date Management's Actions to be Implemented	# of Changes to Date Management's Actions to be Implemented	Initial Date of Internal Audit Follow-up	Most Recent Date of Internal Audit Follow-up	Status
TFLI	8-May-14	TFLI daily receipts should be reconciled to the enrollment management system 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 recored.	TFLI Executive Director	30-May-14	30-Jun-17	2	30-Jun-15	30-Jun-17	Action Completed
TFLI	8-May-14	TFLI - Efforts to improve the classification of TFLI data in the Banner accounting system should continue 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	8-May-14	30-Jun-16	1	14-Jan-16	1-Aug-17	Action Completed
TFLI	8-May-14	TFLI should take steps to comply with the Financial Integrity Act 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	31-May-14	31-Jul-17	2	1-Jun-16	30-Jun-17	In Progress
TFLI	8-May-14	TFLI needs to develop a Disaster Recovery and Business Continuity PLan 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	31-Dec-14	1-Dec-17	1	5-Jan-16	30-Jun-17	In Progress
TFLI	8-May-14	TFLI - Business policies and procedures need to be updated The TFLI Executive Director should ensure business procedures are documented, approved by the Board and periodically reviewed to determine they are accurate and cover all business operations.	TFLI Executive Director	30-Jun-14	30-Sep-17	1	31-Aug-15	30-Jun-17	In Progress
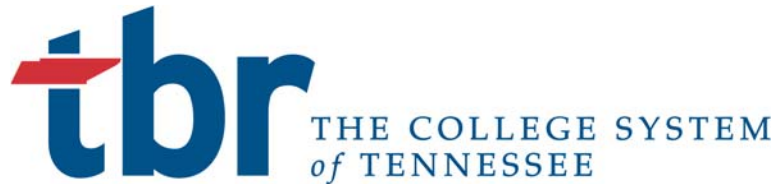
BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Comptroller's Office Audit Reports

DATE: August 29, 2017

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S
RECOMMENDATION: Accept Report

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 community college and the system office, typically every other year. A description of the auditing standards followed by the Comptroller's Office and the types of findings that may be reported follow this transmittal. The Comptroller's Office also conducts performance audits of the Tennessee Board of Regents 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
        Motlow State Community College
                — FYE June 30, 2016

FINANCIAL AND COMPLIANCE AUDITS – FINDINGS
        Southwest Tennessee Community College
                — FYE June 30, 2015 and June 30, 2014

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.

Financial and Compliance Audits—No Findings Reported

Institution	For the Year(s) Ended	Auditor's Opinion on Financial Statements	Report on Internal Control	Report on Compliance	Findings
Motlow State Community College	June 30, 2016	Unmodified Opinion	No findings	No instances of noncompliance required to be reported	0

Financial and Compliance Audits—Findings Reported

Institution	For the Year Ended	Auditor's Opinion on Financial Statements	Report on Internal Control	Report on Compliance	Findings
Southwest Tennessee Community College	June 30, 2015 and June 30, 2014	Unmodified Opinion	Seven internal control findings identified as a significant deficiency and two internal control finding identified as a material weakness	No instances of noncompliance required to be reported	9

Finding 1 – Management needs to improve procedures for preparing and reviewing financial statements to prevent errors
Southwest Tennessee Community College did not have adequate procedures for preparing its financial statements to ensure the accuracy and proper classification of information.

Management's Comment – Management concurred with the finding and recommendation and will continue to evaluate current staff and their responsibilities to determine if their knowledge base and skills are adequate to perform their assigned tasks efficiently. Management has also engaged the services of a professional services company who is currently working on a business process assessment of the finance area. Management also understands the concerns regarding the financial statement errors noted in this audit and is committed to improving the financial reporting activities.

Finding 2 – The college has not properly reported the costs associated with construction projects
The college does not have procedures for recording costs related to construction projects in accordance with generally accepted accounting principles. The college did not transfer capitalized expenditures from projects in progress to proper categories when the assets were placed in service. The college also included non-capitalizable expenditures in projects in progress.

Management's Comment – Management concurred with the finding and recommendation and will develop procedures to concurrently evaluate all expenditures to determine if they are to be capitalized or expensed in the period incurred and when to transfer a capital asset from the projects in progress account and begin capitalization and depreciation once the asset is placed in service.

Finding 3 – The college did not enroll new employees in the defined benefit portion of the state's retirement plan
The college did not enroll new employees as members of the State and Higher Education Employee Retirement Plan. Due to this error, the college did not withhold and submit the required employee pension contributions or make the required employer contributions to the Tennessee Consolidated Retirement System for employees hired after June 30, 2014, causing 19 employees to lose up to 10 months of retirement service credit. Management was made aware of the issue in October 2014; however, the error was not corrected until May 2015.

Management's Comment – Management concurred with the finding and recommendation and has created procedures to ensure all employees are enrolled. Additionally, new employees will be checked for accuracy on the payroll deduction reports prior to the final payroll processing each month. Both payroll and Human Resources will verify submissions to Empower to ensure new employees are properly and timely enrolled in the various retirement programs available to state employees.

Finding 4 – Management did not approve employee timesheets prior to payroll preparation
The college did not have written policies and procedures for the review and approval of employee timesheets. Our review found that 125 of the 489 timesheets tested (26%) were not reviewed and approved by the employee's supervisor.

Management's Comment – Management concurred with the finding and recommendation and in collaboration with human resources and payroll will write policies and procedures for timekeeping and will be distributing them to all employees. The Executive Director of Information Technology will also contact Kronos to inquire of a workable solution to the problem noted. In the meantime, Information technology in conjunction with Payroll and Human Resources are in the process of developing an exception report. This report will identify, after payroll processing, who did not comply with approving timesheets. These individuals will be counseled and appropriate action taken if the behavior is not changed. In August 2016, the college upgraded the Kronos system and employees were required to attend a training session.

Finding 5 – The college does not have controls in place to ensure compliance with the requirements of the Federal Work Study Program
The college has no controls over the Federal Work Study (FWS) program to 1) obtain a certification that each student worked the hours for which they are paid and 2) prevent students from being paid for hours that conflicted with scheduled class time or sports activities.

Management's Comment – Management concurred with the finding and recommendation and, in 2017, management updated the college's processes and procedures for employing FWS students. Training classes were held in May 2017 by the Financial Aid Specialist who is responsible for the FWA Program. Throughout the year, the Financial Aid Specialist and the Internal Auditor will periodically review the student timesheets to ensure procedures are being followed and will notify the FWS Supervisors of any infractions.

Finding 6 – The college did not prepare proper bank reconciliations
Bank reconciliations for the college's operating and payroll accounts and the foundation's operating account were not always prepared timely and did not always contain evidence of review.

Management's Comment – Management concurred with the finding and recommendation and will have the Vice President of Finance Administrative Services oversee amending the policy and procedures for preparing bank reconciliations. The policy will include a requirement that bank reconciliations should be prepared within 30 days after the end of the month, are signed and dated by both the preparer and reviewer, and all reconciling items are identified and resolved in a timely manner.

Finding 7 – The college did not have adequate controls over credit cards
The college did not ensure reconciliations of credit card purchases were performed by someone independent of the purchases, increasing the risk of unauthorized purchases, including those not for the benefit of the college.

Management's Comment – Management concurred with the finding and recommendation and the Vice President of Finance and Administrative Services will oversee the review and modification to the existing college credit card purchasing policy to include language that the individual responsible for approving the cardholder's transactions must be an authorized approver for the college, must be in a position of authority higher than the cardholder who incurred the transactions, and must review the business nature and the substantiation of charges incurred by the cardholder. Also, any violations or misuse of the credit card will be reviewed and appropriate disciplinary action taken.

Finding 8 – The college did not perform reconciliations between the Raiser's Edge, Banner Advancement and Banner Finance systems

The college did not reconcile the Raiser's Edge, banner Advancement, and Banner Finance systems. Gift and contribution information manually entered into Raiser's Edge must also be manually entered into Banner Advancement. The information is then transferred into Banner Finance via an electronic feed. Because management did not reconcile the systems, management did not catch differences between the systems.

Management's Comment – Management concurred with the finding and recommendation and the Vice President of Finance and Administrative Services will oversee the development of written procedures outlining the steps that will occur on a monthly basis to reconcile Raiser's Edge, banner Advancement, and Banner Finance systems.

Finding 9 – As noted in the prior audit, the college did not provide adequate internal controls in five specific areas

The college did not design and monitor internal controls in five specific areas. We continued to observe five conditions in violation of college policies and/or industry-accepted best practices, which in some cases have worsened from the prior audit. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*.

Management's Comment – Management concurred with the finding and recommendation and will ensure the following: that these conditions either have been or will be remedied by specific dates; effective controls to ensure compliance have been put in place; and staff assignments have been made for ongoing monitoring of risks and control mitigation.

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

BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Internal Audit Reports

DATE: August 29, 2017

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S
RECOMMENDATION: Accept Report

The Audit Committee will receive executive summaries for the internal audit reports issued from May 30, 2017 to June 30, 2017. Below is a listing of the internal audit and investigation reports completed during the reporting period, grouped by type of review. Highlights from these reports were reviewed in agenda item I.a.

Internal Audit and Investigation Reports for the Reporting Period

Internal Audit Investigations for Informational Purposes

**Tennessee Board of Regents
Audit Committee
August 29, 2017**

*Internal Audit Reports
Instruction/Academic*

Chattanooga State Community College
Audit of Volkswagon Academy
July 1, 2012 through December 31, 2015
Executive Summary

Key Staff Personnel	Ralph Gwaltney, Coordinator, Automotive Mechatronics Program; Kyleen Beechum, Grants, Contracts and Student Accounts; Sonja Sanders, Payroll	**Internal Auditor**	Kimberly Clingan Director, Internal Audit
Introduction	An internal audit of Volkswagen Academy (VWA) for the period July 1, 2012 through June 30, 2014 was conducted by the Chattanooga State Community College (ChSCC) Internal Audit department. ChSCC has been the Primary Education Partner (PEP) for Volkswagen of America (Volkswagen) since the inception of the VWA in 2010. The PEP arrangement is governed by a service agreement between ChSCC and Volkswagen. ChSCC is in the third 3-year agreement with Volkswagen for PEP services. The current agreement will expire December 31, 2019. As the PEP, ChSCC provides the development, administration, maintenance, and continuous improvement of the curriculum, training delivery, testing implementation, learning management system, staffing, and operational management of VWA. Much of the funding to provide these services to Volkswagen, especially during the first few years of the project, was enabled by a State of Tennessee Department of Economic and Community Development Grant (ECD Grant). The ECD Grant was established as a provision to launch/operate the VWA and received $16,000,000 in funding.		
Objectives	The objectives of the audit were: • To determine the adequacy of the existing system of internal controls. • To determine compliance with the service agreement with Volkswagen. • To determine compliance with the ECD Grant for VWA including expenditure and reimbursement reporting procedures. • To determine the execution of appropriate hiring/dismissal procedures and temporary contracts for VWA Employees.		
Conclusion	The internal audit of VWA for the period of July 1, 2012 through December 31, 2015 produced no audit findings or recommendations. VWA Management provides adequate controls to ensure compliance with the Volkswagen PEP agreement, ECD Grant, and ChSCC employment procedures through coordination with Business and Finance and Human Resource Divisions. ChSCC has provided educational services to Volkswagen within the terms of the PEP agreement. Funding assistance to provide these services was facilitated by an ECD Grant from July 1, 2009 through December 31, 2015. The Grant expenditures have been appropriately reported to the State of Tennessee Department of Economic and Community Development and verified through supporting documentation with management approvals.		
Recommendation	None		

Tennessee Board of Regents
Audit Committee
August 29, 2017

Internal Audit Reports
Financial Management

Chattanooga State Community College
Audit of Payroll
July 1, 2016 through December 31, 2016
Executive Summary

Key Staff Personnel	Sonja Sanders Director, Payroll	**Internal Auditor**	Kimberly Clingan Director, Internal Audit
Introduction	An internal audit of the Chattanooga State Community College (ChSCC) Payroll for the period of July 1, 2016 through December 31, 2016 was conducted by the ChSCC Internal Audit Department. The Payroll Department processes and distributes salary and wage payments for all faculty, staff and student employees. Additional department responsibilities include remitting employment tax reports and reporting year-end tax information.		
Objectives	The objectives of the audit were: • To evaluate the effectiveness of internal controls over payroll including access to the payroll system • To ensure only valid employees are paid and at the authorized pay rate • To determine that calculations of earnings, special payments, employee benefits, employee taxes and voluntary/involuntary deductions are accurate, complete and performed in a timely manner. • To verify that payroll transactions are properly classified, reconciled, and posted to the general ledger.		
Findings/ Recommendations	None		
Conclusion	ChSCC's Payroll procedures are adequately designed to ensure accurate and timely salary and wage payments in accordance with TBR and institutional policies and procedures.		

Southwest Tennessee Community College
Cash Count
June 29, 2017
Executive Summary

Key Staff Person: Departmental Cashiers	**Auditor:** Director of Internal Auditor

Introduction

Cash Counts were performed by Internal Audit as a continuous monitoring of cash in accordance with the annual audit plan. Southwest Tennessee Community College maintains twelve petty cash funds of $9,638 and six change funds ranging from $40.50 to $100.00.

Objectives

To ascertain that the college is properly handling petty cash and change funds and that adequate controls and safeguards are in place to prevent misuse or theft of these funds

Scope

The audit included cash balances for the period June 20, 2017 through June 21, 2017 for Southwest Tennessee Community College.

Results

Southwest Tennessee Community College has a petty cash fund of $10,000.00. The cash count resulted in funds totaling $9,967.35. There was a shortage of $32.65.

Conclusion

Based on audit tests performed, controls over cash handling are generally adequate and the amounts are in balance with the college's general ledger except in the areas of the copier change fund. Internal controls should be strengthened to bring the amounts in the copier change fund into balance with the general ledger.

Tennessee Board of Regents
Audit Committee
August 29, 2017

Internal Audit Reports
Information Technology

Cleveland State Community College
Emergency Preparedness Plan
June 2017
Executive Summary

Title of Key Staff Person: Chief of Campus Police	**Auditor:** Alvin Bishop

Introduction:
An internal audit of Cleveland States Community College's (ClSCC) Critical Incident Plan was performed as of June 2017 to determine adequacy and compliance with TBR Guideline B-100 Institutional Emergency Preparedness Plan which outlines procedures to help protect lives and property through the effective use of institutional resources. The guideline's purpose is to mitigate the potential effects of the various hazards that might impact a TBR institution, to prepare for the implementation of measures which will preserve life and minimize damage, to respond effectively to the needs of the institution's community during emergencies, and to provide a recovery system to return the institution and its community to a normal status as soon as possible after such emergencies.

Objectives:
- To evaluate the internal control over the preparation of the emergency preparedness plan
- To determine that management has an effective emergency preparedness plan in place
- To determine that ClSCC's emergency preparedness plan is adequate and follows the requirements provided by TBR Guideline B-100

Conclusion:
While the management of ClSCC has developed an effective emergency preparedness plan it does not conform to all the requirements of TBR Guideline B-100. Some of the missing B-100 requirements include procedures for managing volunteers, purchase procedures during an emergency, plans for transportation, no designated Emergency Operations Center, and it does not require maintenance of the log of significant events and activities during an emergency.

Opportunities for Improvement:
Based on observations and review of ClSCC's Critical Incident Plan, Internal Audit recommends that the Emergency Management Team review the plan and make the necessary changes as required by TBR Guideline B-100.

Management's Response
I concur with the findings. The proposed revisions to the ClSCC Critical Incident Plan to align with TBR guideline B-100 will be completed no later than December 31, 2017.

Dyersburg State Community College
Information Technology Disaster Recovery
June 2017
Executive Summary

Key Staff: Vice President for Technology	**Auditor:** DSCC Director of Internal Audit

Introduction: The Dyersburg State Information Technology Disaster Recovery Plan was initially prepared by the previous Vice President for Technology and her staff prior to 2010. The latest version that was approved by both the standing DSCC IT Committee and the DSCC President was issued on October 31, 2014. A newer version has been updated and reviewed by the previous Vice President for Technology and passed by the DSCC IT Committee but it has not yet been approved by the DSCC President. A new Vice President for Technology has taken this position earlier this year. The new Vice President for Technology plans to edit the document once more and will pass the newly revised IT Disaster Recovery Plan to both the DSCC IT Committee and the DSCC President for approval.

There are no DSCC policies specifically relating to IT Disaster Recovery at this time, although there is a policy relating to Emergencies and Threats to the College Community and there is an Emergency Preparedness Plan. There is also a Cyber Incident Response Plan and a draft is being prepared for a Business Continuity Plan.

Objectives: The objective of the audit was to conduct a comprehensive review of the DSCC Information Technology Disaster Recovery Plan and any related DSCC policies, to determine if the plan addresses a wide-range of disaster scenarios and plans to restore computing services in the event of a disaster scenario, and to determine if the plan includes procedures for properly backing up and restoring key applications and computing services necessary to support operations.

Scope: This audit included a complete review of the current IT Disaster Recovery Plan, a review of the various backup and restore procedures for key applications and databases, a review of the current risk analysis for disaster recovery, a review of contracts with third party vendors relating to disaster recovery needs, and a review of the DSCC Information Technology Committee Meeting Minutes from January 2017.

Audit Conclusion: Based on audit tests performed during this audit and a review of the current Information Technology Disaster Recovery Plan, it is determined that the plan does addresses a wide-range of disaster scenarios and contains plans to restore computing services in the event of various disaster scenarios. Also, there is sufficient documentation to indicate that all key applications and systems are being backup up properly and restore procedures are being attempted periodically throughout each year.

Observation/Recommendation 1: There is currently no DSCC policy for IT Disaster Recovery.

Observation/Recommendation 2: The current IT Disaster Recovery Plan developed in January 2017 needs to be reviewed, updated, approved and reissued.

Observation/Recommendation 3: Critical points of failure should be further identified and addressed more clearly.

Observation/Recommendation 4: A test plan and schedule is needed for the continuous review of the IT Disaster Recovery Plan and its various components.

Tennessee Board of Regents
Audit Committee
August 29, 2017

Internal Audit Reports
Follow-up Reports

<div align="center">

Southwest Tennessee Community College
Follow-up to the Special Review of Federal Work Study Program
May 30, 2017
Executive Summary

</div>

Key Staff Person: Eleveen Carson, Financial Aid Specialist	**Auditor:** Charlotte Johnson, Internal Auditor

Introduction

Internal Audit for Southwest Tennessee Community College, issued a *Special Review of Federal Work Study Program* report for the period July 1, 2013 through June 30, 2014, on May 13, 2015. The report included one finding. The current status of the finding is presented in the audit conclusion section below.

Objectives

The objective of the review was to determine whether adequate corrective actions have been taken to address the findings.

Prior Finding

Internal Controls for Monitoring Students' Work Time Must Be Improved to Ensure Compliance with Federal Work Study Program Regulation.

Records shows that students report working during hours when they are scheduled for classes or when they are in athletic competitions. For the FWS students tested, 25 of 28 students tested reported hours worked during a scheduled class. Supervisors signed the time reports authorizing the time. Internal controls are not being followed. Federal work Study Program regulations C.F.R. 675.20(d)(2)(ii), states, a student employed in an FSW job may not be paid for receiving instruction in a classroom, laboratory or academic setting.

Current Result

Based on the results of test and procedures performed, 12 of 40 students tested, reported hours worked during a scheduled class. Corrective actions have been put in place. Management will continue to improve their processes to bring Southwest Tennessee Community college into compliance with regulations C.F.R. 675.20(d)(2)(ii), a student employed in an FSW job may not be paid for receiving instruction in a classroom, laboratory or academic setting.

Tennessee Board of Regents
Audit Committee
August 29, 2017

Internal Audit Reports
TCAT Focused Reviews

Tennessee College of Applied Technology - Paris
Focused Operational Review
June 26, 2017
Executive Summary

College Director: Dr. Brad White	Internal Auditor: Helen Vose, CIA, CFE
Report Date: June 26, 2017	Audit Period: Fiscal Year Ending June 30, 2015 & Fiscal Year Ending June 30, 2016

Purpose and Scope: Fiscal Year End June 30, 2015	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.
Fiscal Year End June 30, 2016	• **Awarding of Certificates and Diplomas** • **Carl D. Perkins Grant Program** • **P-Card controls and implementation** • **Federal Financial Aid Consumer Information Activities**: 　5. Drug and Alcohol Abuse and Prevention Information - Local assistance available and related programs. 　6. Federal Educational Rights and Privacy Act (FERPA) – Informing students of their rights and the completion of the required forms. 　7. Safeguarding Consumer Information - Campus security is operational physically and electronically. 　8. Gainful Employment – Reporting requirements 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. However, the audit revealed no significant issues of noncompliance with regulations or TBR or institutional policies or significant deficiencies in operations.

Tennessee Board of Regents
Audit Committee
August 29, 2017

Internal Audit Reports
Investigations

Tennessee Board of Regents
Office of System-wide Internal Audit
Special Review of Complaints Regarding the President of
Motlow State Community College
Executive Summary

Introduction

An administrative review was performed of allegations received from November 30, 2015 through March 1, 2017 by the Tennessee Board of Regents (TBR), Office of System-wide Internal Audit, regarding actions of the President of Motlow State Community College (the College). As the review progressed, additional allegations were received regarding the President's management of the College, integrity, treatment of employees, and handling of personnel matters. The President resigned on June 13, 2017, effective September 30, 2017.

Objectives

The objectives of this review included determining if the allegations made were substantiated; determining compliance with applicable laws or policies; reviewing for appropriate administration of the college; and to recommend corrective actions, if necessary.

Conclusion

The current control environment of MSCC exhibits many weaknesses in internal control. The climate and morale on all four campuses were described in negative terms by most employees interviewed. The manipulation of both people and information has created a sense of distrust among faculty and administrators that is deep, and was even mentioned by several of those considered at one point to be supporters of the President. The pressure placed on employees to do things they consider inappropriate or to take on unreasonable workloads is attributable to employees' fear of retribution and of being labeled as not being a team player. The President's persistent use of fear, intimidation, hostility, and condescension as motivational tools was described by faculty, administrators, and support staff from all campuses. The President's attempts to interfere with the investigation are symptomatic of his leadership of the College.

Rather than demonstrating a "commitment to integrity and ethical values," and "attracting, developing, and retaining competent individuals," the tone being set at the top reflects autocratic management, negativity, and undue pressure, causing long-term employees to seek other employment. These factors have created an atmosphere that is not sustainable for a campus attempting to manage growth and expansion.

Recommendations

- The Chancellor and the Tennessee Board of Regents should take actions to address the leadership issues noted in this report.

- The College should revise its Hiring Policy to ensure that potential new hires and direct appointments are reviewed in advance to ensure compliance with the College's Affirmative Action plan and applicable requirements and regulations.

- The College should develop a process for documenting all personnel actions, including documentation of reviews and approvals, as well as the corresponding dates.

- The College should develop a policy regarding Athletic Department and other administration contact with faculty regarding students.

- The College should develop a data handling and classification system that is communicated to all employees to protect information assets to ensure that the institution maintains strict confidentiality, integrity, and availability of information in compliance with applicable requirements and regulations.

- The College should provide training on the data handling and classification system to all employees to educate and foster a culture of security awareness. Training should include cybersecurity awareness, personally identifiable information (PII), email use and encryption, password management, and guidelines for classifying data.

Key Staff: NeSCC Chief of Police

Auditor: NeSCC Director or Internal Audit

Introduction: A complaint was received on March 3, 2017, alleging that closing Police and Security officers were leaving the Johnson City campus early without properly documenting actual hours worked on their timesheets.

Objective: To determine if the NeSCC Police Department is following proper timekeeping practices and policy and to determine if non-exempt employee leave balances should be adjusted to correct over or under statement of hours worked.

Total Questioned Costs: none   **Total Recoveries**: none

Results: The Johnson City NeSCC Internal Audit compared timesheets and work schedules to building security alarm reports for the period of August 23, 2016 through February 15, 2017. Internal Audit interviewed the Chief of Police.

According to the alarm report and interviews with Police personnel, occasionally the Johnson City campus closes before the end of the closing officer's scheduled shift. However, the alarm report merely documents when the main building is cleared, locked, and the alarm is armed. It does not accurately document when the officers have completed their duties for the evening such as clearing the garage and escorting faculty and/or students to their vehicles after securing the building. Internal Audit's comparison of the alarm reports, timesheets, and schedules identified an immaterial number of hours that may have been improperly documented on timesheets.

The department was not in compliance with personnel policy 05:08:01 *Compensatory Time* documentation requirements. Analysis of timesheets for the period, indicate that officers were routinely not adjusting their hours worked for neither abbreviated nor extended shifts. Because of this routine, it is not possible to calculate accurately any overstatement or understatement of actual hours worked during the period.

The Chief of Police stated that he had told his officers that they could close the building after the last class of the evening concluded and the building was cleared. The Chief also stated that he told his officers that they did not need to adjust their timesheets to reflect minor variances such as early or late closings as long as they equaled the minimum 37.5 hours per week. The officers were reporting time as if they were exempt/salaried employees whose compensation is based on completing the job tasks rather than the amount of hours worked. It appears the officers did not record compensatory time taken or annual leave for the occasional abbreviated shifts. However, it also appears the officers only recorded earned compensatory time for scheduled extra activities

but not for unscheduled shift extensions or emergencies. The expectation was that the minor variances would balance throughout the work period without the need to track every minute. While this would simplify the task of time reporting, the Fair Labor Standards Act requires police officers to be classified as non-exempt. Non-exempt classification is eligible for overtime pay and compensatory time while exempt classification is not.

Audit Conclusion: Occasionally the Johnson City campus closed before the last scheduled police shift ended. Enforcement of compensatory time policy was inconsistent, resulting in an immaterial number of hours that may have been misreported due to confusion about the implementation of compensatory time policy. There does not appear to have been any intent to make or grant personal gains from the timekeeping practices.

Recommendation: The department should implement policy 05:08:01 *Compensatory Time* for all non-exempt employees and develop procedures to ensure the policy is followed. If a campus closes prior to the end of the officer's scheduled shift, the officer should either remain on duty until the end of the shift or record compensatory time or annual leave to complete their timesheet entry. If an officer is required to perform duties beyond their scheduled shift, the officer should record compensatory time earned for the time spent on those duties. Management should work with Human Resources to ensure their procedures comply with policy.

Due to the inability to accurately calculate any over or under statement of hours worked and the immateriality of those hours identified as possibly misstated, adjustment of the officers leave balances is not recommended.

Internal Audit will conduct a follow up review in approximately six months.

Management Response: We concur with the audit conclusion and recommendation. We will immediately implement procedures to ensure accurate recording of hours worked. We will require all non-exempt personnel to follow the compensatory time policy. We will work with Human Resources to ensure our timekeeping procedures correctly follow policy.

![tbr THE COLLEGE SYSTEM of TENNESSEE]

BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Federal Audit Reports

DATE: August 29, 2017

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S
RECOMMENDATION: Accept Report

The following federal audit report was received this reporting period and will be reviewed by the committee. An executive summary of the results of the program review report is attached.

Federal Audit Reports for Informational Purposes

Jackson State Community College:
        TN Small Business Development Review

Introduction: The purpose of this review is to assist in accomplishing the management oversight function of the Tennessee Small Business Development Lead Center under the Small Business Administration (SBA) Office of Small Business Development Cooperative Agreement. The review was conducted on December 6, 2016 by Mike Bacon, Financial Reporting and Accounting Manager.

Objective: The findings and opinions noted in this report pertain solely to the center and sample selected. This review does not constitute an audit in accordance with Generally Accepted Accounting Principles. This report is not intended as a basis for reliance or action by any other users.

Results:

Cash Disbursements (Federal and Matching)
The Lead Center reviews all federal and cash match expenditures incurred at the service center on a monthly basis. The service center expenditures for 2015 appeared to be reasonable, allowable, and allocable to the program.

Reporting Requirements
Center Director reviewed invoice requests for reimbursement. A sample of invoices for Travel, Supply, and Other categories on Federal Funding, Match Funding, and Program Income Funding was reviewed at the center. All invoices contained information of goods/services, description of cost, index number, account code, amount, vendor name and address, date, and signature of authorized persons.

Indirect Costs
A review of the indirect cost agreement for the service center determined that the indirect cost was correctly reported at $22,633.93 as of December 31, 2015. The Indirect Cost rate for this review period is off-campus 20.0% modified total direct base applicable to all programs.

In-kind Costs
In-kind contributions for the 2015 program year were appropriately valued at $25,421.04. The Jackson Area Chamber of Commerce provides donated office space and shared services for an in-kind value of $25,421.04.

Program Income Receipts and Disbursements
The center generated $0.00 of Program Income in 2015 and had $536.25 of expenditures, leaving an accumulative year-end balance of $0.00.

Review of Equipment Inventory Listing
Certified Equipment Inventory Listing was received at date of report.

Audit Conclusion:
Based on our limited testing of the data available at the center, we have determined that the center:
1. is adequately monitoring the financial aspects of their operations;
2. is in compliance with cash disbursement requirements;
3. is in compliance with indirect cost requirements;
4. is in compliance with in-kind cost requirements; and
5. is in compliance with program income requirements.

THE COLLEGE SYSTEM
of TENNESSEE

BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Review of Internal Audit Year-End Status Reports for
                            Fiscal Year 2017

DATE: August 29, 2017

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S
RECOMMENDATION: Accept Report

The committee will review the year-end status of the internal audit plans for the system institutions for Fiscal Year 2017. This item includes the following summary information on system audit activities for the year.

    Audit Hours by Functional Area and Audit Type
    Audit Activity Three-year Trend Analysis
    Investigation Activity

The summary schedules are followed by a Year-end Status Report for each institution and for each audit activity with the system office.

FY 2017 Total Audit Hours by Type of Audit

Special Request
3.01%

Management's Risk
Assessment
2.98%

Other
0.32%

Required
13.28%

Follow-up Audit
11.35%

Project
4.75%

Risk-Based
29.07%

Consultation
13.20%

Investigation
22.04%

FY 2017 Total Audit Hours by Functional Area

Student Services
5.19%

Advancement
0.00%

Athletics
1.59%

Physical Plant
3.22%

Auxiliary
0.10%

Instruction & Academic
Support
3.38%

Financial Management
38.10%

Institutional Support
38.16%

Information
Technology
10.27%
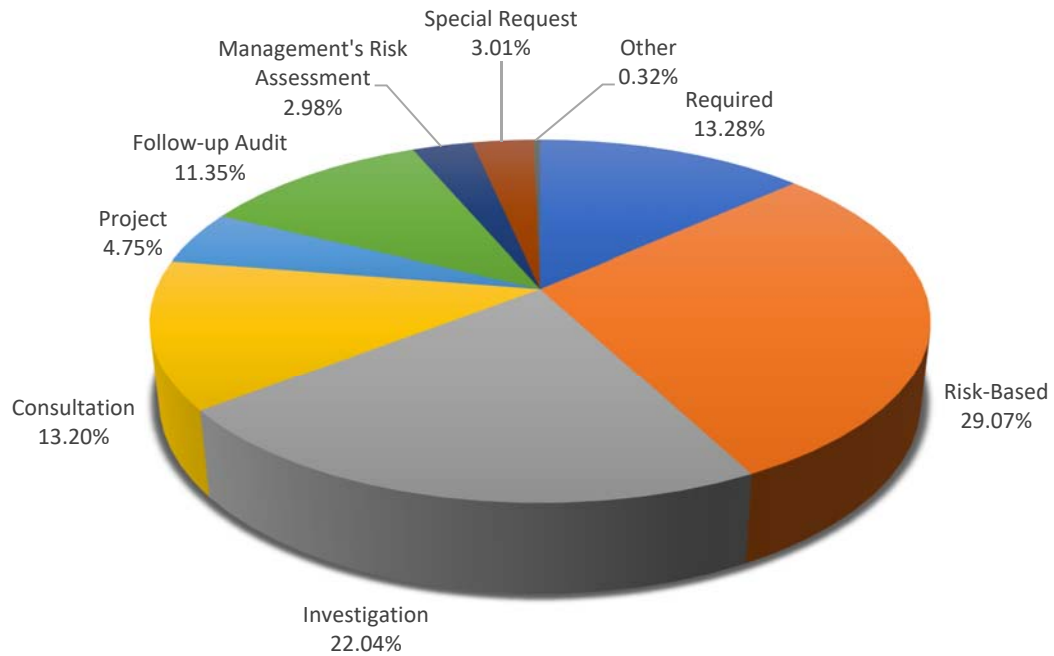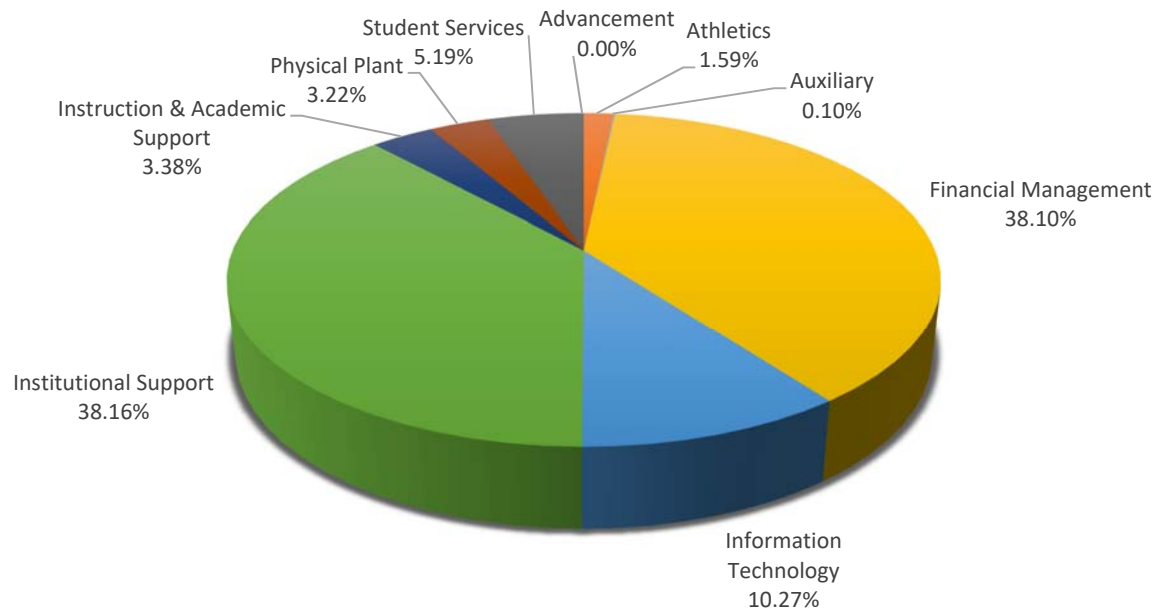
Tennessee Board of Regents
Three-year Trend Analysis of Audit Hours Completed
By Type of Audit and Functional Area

Type of Audit	FY2017	FY2016	FY2015	Average
Required	13%	13%	23%	16%
Risk-Based	29%	20%	24%	24%
Investigation	22%	16%	12%	17%
Consultation	13%	12%	14%	13%
Project	5%	8%	9%	7%
Follow-up Audit	11%	5%	7%	8%
Management's Risk Assessment	3%	3%	4%	3%
Special Request	3%	23%	7%	11%
Other	0%	0%	0%	0%
Total	**100%**	**100%**	**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. Typically, as resources dedicated to Investigations or Required Audits decline, more resources are available for Risk-Based audits. The increase in FY2015 in Required audits is mainly due to system-wide audits of Complete College Tennessee Act data. In FY2016, an increase in Special Requests is primarily related to the Access and Diversity audits requested by the Vice Chancellor for Effectiveness and Strategic Initiatives and Study Abroad audits requested as a result of noted issues in some programs.

By Functional Area	FY2017	FY2016	FY2015	Average
Financial Management	38%	33%	36%	36%
Institutional Support	38%	22%	20%	27%
Student Services	5%	11%	17%	11%
Instruction and Academic Support	3%	12%	9%	8%
Information Technology	10%	11%	9%	10%
Physical Plant	3%	1%	2%	2%
Research	0%	3%	2%	2%
Auxiliary	0%	1%	1%	1%
Athletics	2%	5%	3%	3%
Advancement	0%	1%	1%	1%
Total	**100%**	**100%**	**100%**	**100%**

Summary - Financial Management and Institutional Support have remained the two most often audited areas over time. By the nature of the process within Financial Management and Institutional Support, both areas cross over into many other functional areas. The decrease in audit resources dedicated to Student Services, Instruction and Academic Support and Information technology is directly related to prior year audit completions of the Complete College Act data; increased resources required for Financial Management audits; and deficiency in the ability to complete In Progress Information Technology audits, respectively.

Tennessee Board of Regents
Summary of Investigation Activity
Fiscal Year 2017

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.

Complaints Received	Universities	Community Colleges	Technology Colleges	System Office	Total
Tennessee Comptroller	2	2	1	0	5
System-wide Internal Audit	13	32	13	1	59
Campus Internal Audit	27	19	0	0	46
Total Complaints	**42**	**53**	**14**	**1**	**110**
Referred, Duplicative, or Not Viable	13	35	13	1	62
Cases Opened	**29**	**18**	**1**	**0**	**48**

Investigations	Universities	Community Colleges	Technology Colleges	System Office	Total
Open Cases at July 1, 2016	27	24	6	0	57
Cases Opened from new complaints or pending	29	18	1	0	48
Total Cases	**56**	**42**	**7**	**0**	**105**
Referred upon further review	6	0	0	0	6
Cases Completed, Reports Issued	17	16	0	0	33
Cases Administratively Closed	13	4	2	0	19
Cases Removed due to FOCUS	20	-	-	-	20
Open Cases at July 1, 2017	**0**	**22**	**5**	**0**	**27**

Tennessee Board of Regents
Summary of Investigation Activity
Fiscal Year 2017

Institution	Reports Issued*
APSU	Inappropriate Reimbursement
APSU	Improper P-Card Purchases
APSU	Missing Cash
ETSU	University School Loss
ETSU	Geosciences Field Trip
ETSU	Travel and Miscellaneous Expenditures
ETSU	Study Abroad Investigation
ETSU	Communications and Performance Loss
ETSU	Tri Iota Honor Society Loss
MTSU	Signature Documentary Program Abroad
TSU	Forensic Gas Receipts
TTU	Music Department and Dean Issues
TTU	Unauthorized Access to Work Order System
UOM	Ecuador Water Project
UOM	Student Affairs Travel
UOM	Student Organization Theft
UOM**	Conflict of Interest in Athletics
ChSCC	Theft of Tools
ChSCC	Nursing Applicant Selection
ClSCC	Abuse of Leave
DSCC	Possible Theft of Time
MSCC**	Special Review of Complaints Re: President
NaSCC**	Conflict of Interest
NeSCC	Fee Waiver Denials
NeSCC	Inappropriate Timekeeping
RSCC	Student Apartments for Athletes
STCC	Purchase and Distribution of Gift Cards
STCC	Employee Flex Time
STCC	Holiday Party
STCC	Personal Purchase
STCC	Employee Time Reporting
VSCC	EMT and Paramedic Program
WSCC	Misuse of Vehicle

*   During the current year, campuses administratively closed unsubstantiated cases, for which reports were not issued.

** Investigations completed by SWIA

Year-End Status Reports

By Institution

Fiscal Year Ended June 30, 2017

Chattanooga State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual			Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance			
5.0	A	FM	YE Procedures FYE 2016	15.0	8.0	7.0		Jun 2016	Aug 2016	Completed
5.0	A	IA	Volkswagon Academy	15.0	15.0	0.0		May 2015	Jun 2017	Completed
5.0	C	IS	General Consultation	90.0	54.5	35.5		Jul 2016	Jun 2017	Completed
5.0	F	FM	State Audit Follow-up	15.0	4.0	11.0		Jan 2017	Jun 2017	Completed
5.0	F	IS	Follow up Reviews	75.0	76.0	-1.0		Jul 2016	Jun 2017	Completed
5.0	F	SS	FU-CCTA-Worforce Training Hours	82.5	76.0	6.5	FN3	Nov 2016	Feb 2017	Completed
5.0	I	IS	Developing Investigations - Assist TBR	15.0	10.8	4.3	FN2	Jul 2016	Jun 2017	Completed
5.0	I	IS	INV1607	45.0	45.0	0.0		Jul 2016	Sept 2016	Completed
5.0	I	IS	INV1605	49.5	46.5	3.0		Apr 2016	Nov 2016	Completed
5.0	I	IS	Unscheduled Investigations	45.0	0.0	45.0	FN2	Jul 2016	Jun 2017	Completed
5.0	R	FM	RSCC-President's Expense 2016	90.0	74.0	16.0		Aug 2016	Oct 2016	Completed
3.6	A	PP	Key Controls	105.0	102.5	2.5	FN1	Sep 2016	Jan 2017	Completed
3.6	A	FM	Accounts Receivable	90.0	89.0	1.0		May 2016	Aug 2016	Completed
3.1	A	FM	Payroll	97.5	97.0	0.5		Jan 2017	Jun 2017	Completed
3.0	A	FM	Sensitive Equipment Inventory	135.0	127.5	7.5	FN3	Dec 2016	Apr 2017	Completed
2.2	A	SS	Enrollment Activity Fall 2015	12.8	11.5	1.3		Mar 2016	Aug 2016	Completed
	A	IT	NACHA	0.0	2.5	-2.5		Feb 2016	Jul 2016	Completed
5.0	A	FM	YE Procedures FYE 2017	11.3	11.0	0.3		Jun 2017		In Progress
5.0	M	IS	Enterprise Risk Assessment 2016	7.5	5.0	2.5	FN4	May 2017		In Progress
5.0	P	IS	Special Projects-Audit Software	30.0	23.5	6.5	FN2	Jul 2016		In Progress
4.0	A	IS	Human Resources	195.0	138.0	57.0		Feb 2017		In Progress
3.3	A	FM	Contract Compliance	0.0		0.0	FN1	Oct 2016	N/A	Removed
			Total Planned Audit Hours:	**1221.0**	**1017.3**	**203.8**				

Estimated Available Audit Hours = 1228.5 (1 staff) (Part-time position vacant beginning 8/5/2016.)

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	
O - Other	RS - Research	
	SS - Student Services	

FN 1 - Contract Compliance audit removed to include Key Controls Audit. Key Controls Audit added as a result of an investigation.
FN 2 - Hours reduced to account for only remaining months and to apply to actual projects.
FN 3 - Additional hours needed due to issues discovered and corrective action discussions with management.
FN 4- Reduced hours for change in TBR reporting requirement.

Cleveland State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
5.0	A	FM	NACHA 2016	112.5	108.0	4.5		Jul 2016	Sep 2016	Completed
5.0	A	IS	General Consultation-2017	45.0	39.0	6.0		Jul 2016	Jun 2017	Completed
5.0	F	FM	FU- Missing Computer and Money	67.5	66.5	1.0		Jul 2016	Sep 2016	Completed
5.0	F	IS	FU- Study Abroad	22.5	19.5	3.0		Aug 2016	Aug 2016	Completed
5.0	F	IS	FU - State Audit	22.5	67.5	-45.0		Dec 2016	Nov 2016	Completed
5.0	F	IS	FU-Federal Review	52.5	41.5	11.0		Mar 2016	Jun 2017	Completed
5.0	M	IS	Athens-IA Letter MRA 2017	15.0	4.8	10.3		Feb 2017	Feb 2017	Completed
5.0	I	FM	INV 17-01	97.5	109.5	-12.0		May 2017	May 2017	Completed
3.3	A	FM	Grants	90.0	118.0	-28.0		Apr 2017	Mar 2017	Completed
3.3	A	PP	Emergency Preparedness	67.5	93.0	-25.5		Sep 2016	Jun 2017	Completed
3.3	A	PP	BuildingSecurity/Key Control	157.5	166.0	-8.5		Nov 2016	Feb 2017	Completed
5.0	A	IS	Year End Work (State Audit Cash Counts)	15.0	15.5	-0.5		Jun 2017		In Progress
5.0	P	IS	Special Projesct- Automated Workpapers 2017	30.0	31.5	-1.5		Jul 2016		In Progress
5.0	A	FM	IA Letter FMMRA 2017	15.0		15.0		May 2017		Removed
5.0	M	IS	IA Letter ISMRA 2017	15.0		15.0		May 2017		Removed
3.3	A	FM	Maintenance/Tuition and Related Fees	0.0		0.0		Oct 2017		Removed
3.3	A	SS	Enrollment Services	41.3		41.3		Mar 2017		Removed
5.0	A	FM	NACHA 2017	90.0		90.0		May 2017		Scheduled
5.0	I	IS	Unscheduled Investigations 2017	15.0		15.0		Jul 2016		Scheduled
			Total Planned Audit Hours:	**971.3**	**880.3**	**91.0**				

Estimated Available Hours For Audits = 967.5

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	
O - Other	RS - Research	
	SS - Student Services	

Columbia State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual			Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance			
5.0	M	IS	Review Management's Risk Assessment_TCAT Pulaski	5.3	3.8	1.5		Feb 2017	Jan 2017	Completed
5.0	M	IS	Review Management's Risk Assessment_TCAT Hohenwald	5.3	4.8	0.5		Mar 2017	Jan 2017	Completed
3.7	A	FM	Federal Grants - Internal Control Review - THSO Grant	60.0	88.5	-28.5		Jul 2016	Oct 2016	Completed
3.7	A	SS	DoD MOU Compliance	60.0	59.8	0.2		Dec 2016	Dec 2016	Completed
3.7	A	FM	Federal Grants - Internal Control Review - TRiO & TCSGC grants	167.3	167.0	0.3		Nov 2016	April 2017	Completed
3.6	C	IA	Management Advisory Services - WFD	150.0	141.0	9.0	FN4	Oct 2016	June 2017	Completed
3.1	O	IS	Develop Continuous Audit_Argos Training and Data Block Development_Data Analytics	75.0	30.5	44.5		Jan 2017	June 2017	Completed
3.0	I	IA	Investigation	13.1	8.5	4.6		Jun 2016	Jul 2016	Completed
3.0	S	FM	NaSCC_President's Expense	81.8	84.8	-3.0		Aug 2016	Oct 2016	Completed
2.9	O	IS	Annual Departmental Budget Briefings	22.5	23.3	-0.8		Jul 2016	Aug 2016	Completed
	C	PP	Management Advisory Services - Physical Plant	7.5	6.5	1.0		Nov 2016	Nov 2016	Completed
	C	FM	Management Advisory Services - Financial Management	6.0	13.5	-7.5		Oct 2016	Oct 2016	Completed
	C	SS	Management Advisory Services - Student Services	3.8	13.3	-9.8		Jan 2017	Jan 2017	Completed
4.0	A	SS	Federal Program Review - Controls Review (Financial Aid Phase 1)	225.0	92.5	132.5	FN3	Jan 2017		In Progress
3.0	R	FM	State Audit Year End Work	67.5	59.0	8.5	FN5	Jue 2017		In Progress
	F	IS	Engagement Follow-up Review	60.0	37.5	22.5		Oct 2016		In Progress
5.0	M	AT	Review Management's Risk Assessment	0.0		0.0	FN2	Apr 2017	NA	Removed
5.0	M	IA	Review Management's Risk Assessment	0.0		0.0	FN2	Apr 2017	NA	Removed
5.0	M	SS	Review Management's Risk Assessment	0.0		0.0	FN2	Apr 2017	NA	Removed
4.2	A	FA	Consumer Information Disclosures	0.0		0.0	FN3	Jan 2017	NA	Removed
4.2	C	SS	Purge Process Review	0.0		0.0	FN1		NA	Removed
3.0	R	FM	Random Cash Counts	7.5	0.5	7.0	FN5	Feb 2017	NA	Removed
	A	IA	Consumer Information_Student Right to Know	0.0		0.0	FN3	Jan 2017	NA	Removed
			Unplanned Engagements	-79.9		-79.9	FN5			
			Total Planned Audit Hours:	937.5	834.6	102.7				

Estimated Available Hours For Audits = 937.5 (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

Status:
Scheduled
In Progress
Completed
Removed

FN1 - Institutional task force developed to review processes; audit hours moved to other projects.
FN2 - State Risk Assessment format changed - Institution's Risk Assessment due date was adjusted to fall 2017
FN3 - Combined
FN4 - Consulting engagement expanded.
FN5 - Year end work expanded.

Dyersburg State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
5.0	F	FM	State Audit Follow-up 2016	28.5	28.5	0.0		Nov 2016	May 2017	Completed
5.0	R	FM	President's Expense Audit STCC 2016	170.3	163.0	7.3		Sep 2016	Nov 2016	Completed
4.1	A	PP	Building Security/Key Control	60.0	53.8	6.2		Jul 2016	Jan 2017	Completed
3.7	A	FM	Cash Counts	30.0	18.5	11.5		Jun 2017	Jun 2017	Completed
	F	IS	FU - Access & Diversity	27.0	27.0	0.0		NA	Sep 2016	Completed
	F	IA	FU - International Studies	53.3	55.5	-2.3		NA	Apr 2017	Completed
	I	IS	INV 17-01	30.8	35.5	-4.8		Mar 2017	Mar 2017	Completed
	P	IS	QAR	5.3	4.5	0.8		NA	Jul 2016	Completed
5.0	A	FM	Faculty Sick Leave	110.3	108.0	2.3		Jul 2016		In Progress
5.0	C	IS	CON - General Consultation	50.0	145.0	-95.0		Jul 2016		In Progress
5.0	C	IS	CON - PII Review	120.0	119.5	0.5		Jul 2016		In Progress
5.0	M	IS	Risk Assessment - Institutional Support 2017	37.5	23.0	14.5		Mar 2017		In Progress
5.0	M	IT	Risk Assessment - Information Technology 2017	20.3	25.0	-4.8		Mar 2017		In Progress
4.1	A	SS	Federal Work Study Program and Financial Aid	120.0	84.5	35.5		Jun 2016		In Progress
3.7	A	IT	Disaster Recovery	110.0	113.5	-3.5		Jun 2017		In Progress
3.0	A	FM	Records Management and Retention	140.0	48.5	91.5		Jan 2017		In Progress
4.3	A	SS	Advising Services	0.0		0.0		Mar 2017		Removed
5.0	I	IS	Unscheduled Investigations	33.8		33.8		Jul 2016		Scheduled
			Total Planned Audit Hours:	**1146.8**	**1053.3**	**93.5**				

Estimated Available Hours For Audits = 1167.75

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

Status:
Scheduled
In Progress
Completed
Removed

Jackson State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
5.0	A	FM	Payroll	112.5	213.0	-100.5		Jul 2016	Feb 2017	Completed
5.0	A	FM	Year-end Procedures	37.5	58.5	-21.0		Jun 2017	June 2017	Completed
5.0	C	IS	General Consultation	60.0	94.3	-34.3		Jul 2016	June 2017	Completed
5.0	F	IS	Emergency Preparedness Follow up	60.0	15.3	44.8		Oct 2016	May 2017	Completed
5.0	F	IT	Follow-up	90.0		90.0		Oct 2016	June 2017	Completed
5.0	I	IS	Unscheduled Investigations	75.0		75.0		Jul 2016	June 2017	Completed
5.0	M	IS	TCAT Risk Assessment	97.5	40.0	57.5		Feb 2017	Feb 2017	Completed
4.0	F	FM	State Audit Follow up-09012015	52.5	17.5	35.0		Sep 2016	Sep 2016	Completed
5.0	F	FM	Access and Diversity Follow-up	67.5	37.0	30.5		Jun 2017		In Progress
5.0	F	IA	Study Abroad Follow-up	67.5	51.0	16.5		May 2017		In Progress
	F	IT	Data Security Follow-up	0.0	25.0	-25.0		Mar 2017		In Progress
4.0	A	IS	Financial Aid	50.3		50.3		Dec 2016		Scheduled
4.0	M	IA	Risk Assessment	52.5		52.5		May 2017		Scheduled
4.0	M	IS	Risk Assessment	52.5		52.5		May 2017		Scheduled
3.8	A	IS	Leave Time and Work Week	165.0		165.0		Feb 2017		Scheduled
			Total Planned Audit Hours:	**1040.3**	**551.5**	**488.8**				

Estimated Available Hours For Audits = 1005

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

Status:
Scheduled
In Progress
Completed
Removed

Note: The Director retired on November 23, 2016, but returned on February 2, 2017 on a part-time basis.

Motlow State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
5.0	A	IS	QAR Quality Assessment Review	12.8	13.0	-0.3		Jul 2016	Jul 2016	Completed
5.0	M	IS	MRA TCAT McMinnville	9.8	7.9	1.9		Jan 2017	Mar 2017	Completed
5.0	M	IS	MRA TCAT Murfreesboro	11.3	11.1	0.2		Jan 2017	Mar 2017	Completed
5.0	M	IS	MRA TCAT Shelbyville	8.3	10.2	-2.0		Jan 2017	Mar 2017	Completed
5.0	R	FM	President's Expense CSCC FY 2016	92.3	92.0	0.3		Aug 2016	Nov 2016	Completed
5.0	R	SS	CCTA Funding Formula (Fall 2015)	99.8	97.8	2.0		Jul 2016	Oct 2016	Completed
	I	IS	Assisting SWIA	0.0	259.7	-259.7		Jun 2017	Jun 2017	Completed
5.0	A	FM	State Audit Assistance Year End	21.0	14.8	6.2		May 2017		In Progress
5.0	A	IS	Human Resources	216.0	16.7	199.3		Nov 2016		In Progress
5.0	C	FM	CO Financial Management-FY 2016	75.0	82.5	-7.5		Jul 2016		In Progress
5.0	C	IS	CO Institutional Support-FY 2016	90.0	32.3	57.7		Jul 2016		In Progress
5.0	C	IT	CO Information Technology-FY 2016	3.8	1.0	2.8		Jul 2016		In Progress
5.0	C	SS	CO Student Services-FY 2016	3.8	4.8	-1.1		Jul 2016		In Progress
5.0	F	FM	FU State Audit	50.3	47.2	3.1		Oct 2016		In Progress
5.0	F	IT	FU Information Technology	15.0	9.2	5.8		Dec 2016		In Progress
5.0	I	IS	INV 1603	5.3	5.9	-0.7		Aug 2016		In Progress
5.0	R	FM	IAR-Access and Diversity Funds	80.3	38.0	42.3		Jul 2016		In Progress
4.7	A	AT	Athletics Audit	5.3	4.5	0.8		Mar 2017		In Progress
	A	FM	Data Analytics	22.5	16.5	6.0		Aug 2016		In Progress
	F	FM	Petty Cash and Change Funds Follow Up	5.3	3.0	2.3		Apr 2017		In Progress
	I	AT	INV 1602	5.3	0.5	4.8		Aug 2016		In Progress
	I	AT	INV 1604	39.8	64.1	-24.4		Jul 2016		In Progress
	I	IS	Unscheduled Investigations	7.5	19.9	-12.4		Jul 2016		In Progress
	I	SS	Student Data Breach	67.5	69.1	-1.6		Jul 2016		In Progress
5.0	C	AD	CO Advancement-FY 2016	0.0	0.0	0.0	FN1	Jul 2016		Removed
5.0	C	AT	CO Athletics-FY 2016	0.0	0.0	0.0	FN1	Jul 2016		Removed
5.0	C	AX	CO Auxiliary-FY 2016	0.0	0.0	0.0	FN1	Jul 2016		Removed
5.0	C	IA	CO Instruction/Academic Support	0.0	0.0	0.0	FN1	Jul 2016		Removed
5.0	C	PP	CO Physical Plant-FY 2016	0.0	0.0	0.0	FN1	Jul 2016		Removed
5.0	M	FM	MRA Financial Management	0.0	0.0	0.0	FN1	Apr 2017		Removed
4.2	F	IS	Financial Aid Follow Up	0.0		0.0	FN1	May 2017		Removed
5.0	A	FM	Payroll Audit	125.3	0.0	125.3		Apr 2017		Scheduled
5.0	F	IS	FU Other Internal Audit	9.8	0.0	9.8		Jul 2016		Scheduled
5.0	M	IS	MRA Institutional Support	0.0	0.0	0.0		Apr 2017		Scheduled
5.0	R	IA	Study Abroad	75.0		75.0		Mar 2017		Scheduled
5.0	I	IS	INV 1601	80.3	84.5	-4.3		Jul 2016		In Progress
			Total Planned Audit Hours:	**1237.5**	**1006.2**	**231.3**				

Estimated Available Hours For Audits = 1237.5

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

FN1 - Removed due to time constraints.

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

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
Required	R	FM	Year-End Work	37.5	37.5	0.0		Jun 2017	Jun 2017	Completed
	I	IS	Unscheduled Investigations	0.0	0.0	0.0		Mar 2017	Jun 2017	Completed
	I	IS	INV 17-01	112.5	86.0	26.5		Feb 2017	Jun 2017	Completed
	S	FM	Cash Counts	30.0	25.0	5.0		Mar 2017	Jun 2017	Completed
	M	IS	Management's Risk Assessment - TCAT Dickson	22.5	22.5	0.0		Feb 2017	Feb 2017	Completed
	M	IS	Management's Risk Assessment - TCAT Nashville	22.5	22.5	0.0		Feb 2017	Feb 2017	Completed
	C	IS	General Consultation	52.5	50.0	2.5		Feb 2017	Jun 2017	Completed
	M	IS	Management's Risk Assessment - NaSCC	52.5	15.0	37.5		Mar 2017		In Progress
	P	IS	Audit Software	75.0	35.0	40.0		Feb 2017		In Progress
	I	IS	Investigative Assistance to SWIA	37.5	32.0	5.5		Feb 2017		In Progress
	F	FM	State Audit Follow-up	0.0	0.0	0.0		Apr 2017		Scheduled
	F	IS	IA Follow-Up	0.0	0.0	0.0		May 2017		Scheduled
			Total Planned Audit Hours:	**442.50**	**325.50**	**117.00**				

Estimated Available Audit Hours = 442 (1 staff, Jan - June)

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

Status
Scheduled
In Progress
Completed
Removed

Note: The Internal Audit Director was vacant from October 1, 2015 until January 17, 2017. This plan reflects the remainder of hours for FY 2017.

Northeast State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
5.0	A	FM	State Audit Assistance-Yr End	45.0	45.0	0.0		May 2017	Jun 2017	Completed
5.0	C	IS	General Consultation	52.5	53.5	-1.0		Jul 2016	Jun 2017	Completed
5.0	F	FM	State Audit Follow-Up FY15FY14	75.0	147.0	-72.0		Dec 2016	Mar 2017	Completed
3.2	I	IS	INV 17-01	150.0	143.0	7.0		Aug 2017	Mar 2017	Completed
3.2	I	IS	INV 17-02	50.3	121.5	-71.3		Mar 2017	Jun 2017	Completed
5.0	A	FM	Travel Process Review	29.3	18.0	11.3		Jul 2015		In Progress
5.0	F	IS	Other Internal Audit Follow-Up	75.0	2.5	72.5		Jul 2016		In Progress
5.0	M	FM	TCAT RISK Assessment	15.0	22.5	-7.5		Jan 2017		In Progress
5.0	M	FM	Risk Assessments	66.0	1.0	65.0		Mar 2017		In Progress
5.0	P	IS	Electronic Workpapers Software	52.5	52.5	0.0		Jul 2016		In Progress
5.0	A	IS	E-textbooks	255.0	128.0	127.0	FN2	Jan 2017		In Progress
5.0	S	IS	Special Requests and Projects	52.5	200.5	-148.0		Jul 2016		In Progress
4.1	A	IS	Human Resources	150.0	67.0	83.0		Jun 2016		In Progress
3.7	A	FM	Purchasing	0.0		0.0	FN1	NA	NA	Removed
3.7	A	PP	Building Security/Key Control	0.0		0.0	FN1	NA	NA	Removed
3.6	A	IS	Equipment	0.0		0.0	FN1	NA	NA	Removed
			Total Planned Audit Hours:	**1068.0**	**1002.0**	**66.0**				

Estimated Available Hours For Audits = 1110

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

Status:

Scheduled

In Progress

Completed

Removed

FN1 - Audit removed due to investigation and other priorities.

FN2 - Audit was added at the request of the president.

Pellissippi State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
5.0	S	FM	Cash Counts	45.0	38.0	7.0		Dec 2016	May 2017	Completed
5.0	S	FM	NACHA	75.0	71.3	3.8		Sep 2016	Nov 2017	Completed
5.0	S	IA	Faculty Credentials	90.0	85.0	5.0		Oct 2016	Dec 2016	Completed
5.0	F	FM	Audit Follow Ups- State Audit	60.0	59.0	1.0		Jul 2016	Jan 2017	Completed
5.0	M	IS	TCAT Knoxville Risk Assessment	7.5	6.0	1.5		Jan 2017	Feb 2017	Completed
5.0	M	IS	Enterprise Wide Risk Assessment	7.5	7.5	0.0		Apr 2017	Mar 2017	Completed
5.0	R	FM	TBR Chancellor's Expense Audit FYE 6/30/2016	120.0	118.0	2.0		Jul 2016	Sep 2017	Completed
3.7	A	FM	Technology Access Fee	120.0	110.8	9.3		Jan 2017	Apr 2017	Completed
3.6	A	FM	Equipment	127.5	111.0	16.5		Mar 2017	Feb 2017	Completed
5.0	P	FM	Review of RFP's, cafe prices, & other purchasing issues	45.0	43.0	2.0		Jul 2016		In Progress
5.0	P	IA	Review of Compliance Assist	30.0	27.5	2.5		Nov 2016		In Progress
5.0	P	IS	Review of French Exchange Program	52.5	57.5	-5.0		Apr 2017		In Progress
5.0	P	IS	Review of Higher Ed Compliance Matrix	45.0	45.0	0.0		Jul 2016		In Progress
5.0	C	IT	IT Security Consulting, Etc.	37.5	37.5	0.0		Jul 2016		In Progress
5.0	C	IS	Consulting/Special Request	97.5	109.0	-11.5		Jul 2016		In Progress
5.0	P	IS	MKInsight Software	60.0	48.5	11.5		Jul 2016		In Progress
3.5	A	FM	Accounts Receivable	105.0	101.0	4.0		May 2017		In Progress
	C	IS	Quality Assurance Review	7.5	2.0	5.5		Jul 2016	Jul 2017	In Progress
			Total Planned Audit Hours:	**1132.5**	**1077.5**	**55.0**				

Estimated Available Audit Hours = 1200

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

Status:
Scheduled
In Progress
Completed
Removed

Roane State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
5.0	A	SS	CCTA FY2016	90.0	91.00	-1.0		Mar 2016	Sep 2016	Completed
5.0	A	FM	Year End Cash Counts	22.5	60.50	-38.0		May 2017	Jun 2017	Completed
5.0	M	IS	TCAT Oneida FY2017 RA	15.0	14.75	0.3		Jan 2017	Feb 2017	Completed
5.0	M	IS	TCAT Harriman FY2017 RA	15.0	8.00	7.0		Jul 2016	Feb 2017	Completed
5.0	M	IS	TCAT Crossville FY2017 RA	15.0	15.00	0.0		Jan 2017	Feb 2017	Completed
5.0	M	IS	TCAT Jacksboro FY2017 RA	15.0	12.50	2.5		Jan 2017	Feb 2017	Completed
5.0	C	IS	General Consultation	112.5	118.75	-6.3		Jul 2016	Jun 2017	Completed
5.0	P	IS	MKI Implementation	37.5	76.00	-38.5		Jul 2016	Jun 2017	Completed
4.0	I	FM	Unscheduled Investigations	0.0		0.0		Jul 2016	Jun 2017	Completed
4.0	I	AT	INV 16-02	60.0	104.00	-44.0		Jul 2016	May 2017	Completed
	F	FM	Audit Follow-up	90.0	163.75	-73.8		Feb 2017	Jun 2017	Completed
5.0	R	FM	Access & Diversity FY2016	112.5		112.5		Jul 2016		In Progress
5.0	M	IS	FY2017 Risk Assessment	15.0	10.25	4.8		Dec 2016		In Progress
4.0	I	PP	INV 17-01	37.5	46.75	-9.3		Aug 2016		In Progress
4.0	I	FM	INV 17-02	37.5	75.00	-37.5		Jun 2017		In Progress
4.0	A	AX	Foundation Review	150.0	16.75	133.3		Nov 2016		In Progress
4.0	A	FM	ACA Reporting	127.5	54.50	73.0		Jul 2016		In Progress
5.0	R	IS	Quality Assurance FY2017	0.0		0.0	FN1	Apr 2017		Removed
			Total Planned Audit Hours:	**952.5**	**867.50**	**85.0**				

Estimated Available Hours For Audits = 952.5

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

Status:
Scheduled
In Progress
Completed
Removed

FN1- Removing Audit- Not required in FY2017

Southwest Tennessee Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
5.0	R	FM	President's Expense Audit - DSCC	195.0	197.0	-2.0		Jul 2016	Nov 2016	Completed
2.7	A	FM	Cash Count	30.0	42.5	-12.5		Jul 2016	Jun 2017	Completed
	I	FM	INV 16-05	15.0	18.0	-3.0		Jul 2016	Nov 2016	Completed
	I	FM	INV 16-06	15.0	26.0	-11.0		Jul 2016	May 2017	Completed
	I	PP	INV 16-09	15.0	2.0	13.0		Jul 2016	Aug 2016	Completed
	I	FM	INV 17-02	15.0	10.5	4.5		Jul 2016	Nov 2016	Completed
	I	IS	INV 17-03	22.5	51.0	-28.5		Oct 2016	Jan 2017	Completed
	I	SS	INV 17-06	11.3	17.5	-6.3		Aug 2016	May 2017	Completed
	F	IS	Follow-up to Motor Vehicle Procedures						Sept 2016	Completed
5.0	F	FM	State Audit Follow Up	75.0	21.5	53.5		Sep 2016		In Progress
5.0	F	FM	Federal Audit Follow Up	37.5	27.5	10.0		Jul 2016		In Progress
5.0	F	IS	Internal Audit Follow Up from prior year	37.5	37.5	0.0		Jul 2016		In Progress
5.0	M	IS	Risk Management TCAT	11.3	1.0	10.3		Sep 2016		In Progress
5.0	R	IS	IIA Quality Assurance Self-Assessment	15.0	12.0	3.0		Jul 2016		In Progress
2.6	C	IS	General Consultation	97.5	169.0	-71.5		Jul 2016		In Progress
2.6	I	IS	Unscheduled Investigations	75.0	25.0	50.0		Jul 2016		In Progress
	F	FM	Access & Diversity Follow Up	0.0	27.5	-27.5		May 2017		In Progress
	F	FM	Federal Work Study Follow Up	105.0	119.5	-14.5		Jul 2016		In Progress
	F	FM	Follow Up Credit Card	15.0	26.5	-11.5		Jul 2016		In Progress
	F	FM	Industrial Readiness Follow Up	15.0	12.5	2.5		Jul 2016		In Progress
	F	FM	Off Campus International Education Follow Up	52.5	62.5	-10.0		Jul 2016		In Progress
	F	FM	Follow Up Tuition Statements	15.0	2.5	12.5		Jul 2016		In Progress
	I	FM	INV 16-02	45.0	8.0	37.0		Jul 2016		In Progress
	I	IS	INV 16-03	45.0	33.5	11.5		Jul 2016		In Progress
	I	FM	INV 16-04	37.5	26.0	11.5		Jul 2016		In Progress
	I	PP	INV 16-07	15.0	18.5	-3.5		Jul 2016		In Progress
	I	FM	INV 16-08	22.5	30.0	-7.5		Jul 2016		In Progress
	I	FM	INV 17-01	37.5	12.0	25.5		Jul 2016		In Progress
	I	FM	INV 17-04	22.5	50.5	-28.0		Jan 2017		In Progress
	I	PP	INV 17-05	22.5	50.5	-28.0		Jan 2017		In Progress
	I	SS	INV 17-07	0.0	17.5	-17.5		Jun 2017		In Progress
	M	IS	Risk Management 2016-2017	30.0	18.5	11.5		Jul 2016		In Progress
	P	IS	ACM-Audit Software	75.0	82.5	-7.5		Jul 2016		In Progress
			Total Planned Audit Hours:	**1222.5**	**1256.5**	**-34.0**				

Estimated Available Hours For Audits = 1252.5

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

Status:
Scheduled
In Progress
Completed
Removed

Volunteer State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
5.0	I	IA	INV 16-01	150.0	150.0	0.0		Jul 2016	Sep 2016	Completed
5.0	R	SS	CCTA Funding Formula	232.5	235.5	-3.0		Aug 2016	Feb 2017	Completed
5.0	A	AT	Athletic Work Study Program	150.0	59.0	91.0		Nov 2016		In Progress
5.0	A	FM	State Audit Year-End Procedures	22.5	92.0	-69.5		Jun 2017		In Progress
5.0	C	IS	General Consultation	150.0	140.3	9.7		Jul 2016		In Progress
5.0	F	IS	Follow-Up Activities	105.0	98.0	7.0		Jul 2016		In Progress
5.0	I	IS	Unscheduled Investigations	22.5		22.5		Jul 2016		In Progress
5.0	M	IS	TCAT Hartsville Management Risk Assessment	7.5	11.5	-4.0		Feb 2017		In Progress
5.0	M	IS	TCAT Livingston Management Risk Assessment	7.5	11.0	-3.5		Feb 2017		In Progress
5.0	P	IS	MKI Implementation	15.0	12.0	3.0		Jul 2016		In Progress
4.0	P	FM	Sponsorship Billing	135.0	143.5	-8.5		Mar 2017		In Progress
5.0	A	SS	Student Campus Activities	0.0		0.0		Feb 2017		Removed
5.0	M	IS	Management Risk Assessment	0.0		0.0		Mar 2017		Removed
			Total Planned Audit Hours:	**997.5**	**952.8**	**44.7**				

Estimated Available Audit Hours = 1,065   (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

Status:

Scheduled

In Progress

Completed

Removed

Walters State Community College
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	**Actual**	**Variance**				
5.0	A	FM	Fiscal Year-End Procedures for State Audit	37.5	97.5	-60.0		Jul 2016	Feb 2017	Completed
5.0	A	FM	NACHA Compliance Review	217.5	217.5	0.0		Oct 2016	Feb 2017	Completed
5.0	M	IS	TCATM Enterprise-wide Risk Assessment	22.5	22.5	0.0		Feb 2017	Feb 2017	Completed
	F	FM	State Audit Follow-Up	165.0	148.0	17.0		May 2017	Jan 2017	Completed
	I	IS	INV 17-03	0.0	97.0	-97.0		Oct 2017	Mar 2017	Completed
5.0	A	FM	PCI-DSS	300.0	65.5	234.5		Feb 2017		In Progress
5.0	A	IT	IT Governance	30.0		30.0		Aug 2016		In Progress
5.0	C	IS	Institutional Support Consulting	270.0	286.0	-16.0		Jul 2016		In Progress
5.0	I	IS	Unscheduled Investigations	180.0	0.0	180.0		Jul 2016		In Progress
5.0	M	IS	Enterprise-wide Risk Assessment	7.5	2.0	5.5		May 2017		In Progress
5.0	A	FM	Accounts Receivable Audit	0.0		0.0	FN1	Apr 2017		Removed
5.0	A	FM	Contracts Audit	0.0		0.0	FN1	May 2017		Removed
5.0	A	IT	Cloud Computing Audit	0.0		0.0	FN1	Apr 2017		Removed
5.0	M	AD	Foundation Risk Assessment	0.0		0.0	FN1	May 2017		Removed
5.0	M	IT	Information Technology Risk Assessment	0.0		0.0	FN1	May 2017		Removed
	M	IS	Planning, Research & Assessment Risk Assessment	0.0		0.0	FN1	May 2017		Removed
			Total Planned Audit Hours:	**1230.0**	**936.0**	**294.0**				

Estimated Available Hours For Audits = 1230

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

Status:
Scheduled
In Progress
Completed
Removed

FN1- Moved to next fiscal year.

Tennessee Board of Regents - Systemwide Internal Audit
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
5.0	C	FM	General Consultation	90.0	71.0	19.0		Oct 2016	Jun 2017	Completed
5.0	F	FM	Follow-up to State Audit Findings	45.0	24.5	20.5		Nov 2016	Jan 2017	Completed
5.0	P	IS	Audit Management Software	90.0	29.5	60.5		Oct 2016	Jun 2017	Completed
	I	IS	Investigation Assistance - INV 16-19	577.5	630.0	-52.5	FN2	Oct 2016	Jun 2017	Completed
	I	IS	Investigation Assistance - INV 16-21	0.0	3.0	-3.0	FN2	Nov 2016	Jun 2017	Completed
	A	IT	Workpaper Review - IT	0.0	5.5	-5.5	FN3	Oct 2016	Jun 2017	Completed
	A	IS	Workpaper Review - TCAT	0.0	39.5	-39.5	FN3	Oct 2016	Jun 2017	Completed
	A	FM	Memphis President's Expenses	0.0	94.0	-94.0	FN4	Oct 2016	Oct 2016	Completed
	C	AT	TSU OVC SAF	0.0	34.0	-34.0	FN4	Aug 2017	Aug 2016	Completed
	C	IS	TSU Consultation	0.0	3.5	-3.5	FN4	Jul 2016	Sep 2016	Completed
	I	IS	TSU INV 15-06	0.0	17.0	-17.0	FN4	Oct 2016	Jun 2017	Completed
	I	IS	TSU INV 16-03	0.0	32.0	-32.0	FN4	Jul 2016	Sep 2016	Completed
	I	IS	TSU Unplanned Investigations	0.0	13.5	-13.5	FN4	Jul 2016	Jun 2017	Completed
5.0	F	FM	TFLI Follow-Up to SWIA Recommendations	30.0		30.0		Dec 2016		In Progress
	I	IS	Investigation Assistance - INV 16-02	0.0	2.0	-2.0	FN2	Nov 2016		In Progress
5.0	A	PP	SWIA Capital Projects	45.0		45.0	FN6	Mar 2017		Removed
5.0	F	FM	RSCC - Grant Follow Up	37.5		37.5	FN6	Mar 2017		Removed
5.0	M	IS	Managment's Risk Assessment	0.0		0.0	FN1	NA		Removed
5.0	R	IA	TNCIS	90.0		90.0	FN6	Oct 2016		Removed
5.0	R	IS	Internal Quality Assurance Review	30.0		30.0	FN6	Oct 2016		Removed
5.0	R	SS	NaSCC CCTA - AY 2014-2015	0.0		0.0	FN5	Oct 2016		Removed
4.8	A	FM	Capital Projects Financial Activity	187.5		187.5	FN5	Mar 2017		Removed
4.3	A	IA	Academic Affairs Grants	0.0		0.0	FN5	Oct 2016		Removed
3.8	A	FM	System Office Contracting Procedures	0.0		0.0	FN5	Jan 2017		Removed
			Total Planned Audit Hours:	**1222.5**	**999.0**	**223.5**				

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

Status:
Scheduled
In Progress
Completed
Removed

FN1 - Risk Assessment removed due to revision of planned completion to September 2017.
FN2 - Investigation assistance as needed.
FN3 - Workpaper review for IT and TCAT audits.
FN4 - Consultation for TSU during vacancy of director's position.
FN5 - Removed due to time constraints.
FN6 - Removed due to loss of position.

Tennessee Board of Regents - Information Systems
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
5.0	P	IT	Banner XE Upgrade	60.8	84.0	-23.3		Jul 2016	Jun 2017	Completed
5.0	R	IT	NaSCC IT GCR - 012016	15.0	101.0	-86.0		Jul 2016	Jan 2017	Completed
5.0	R	IT	NeSCC IT GCR - 042016	31.5	122.5	-91.0		Jul 2016	Jan 2017	Completed
5.0	F	IT	SWIA Follow-up on all SW IT Audits	97.5	218.0	-120.5		Jul 2016		In Progress
5.0	R	IT	TCAT IT Questionnaire	18.0	51.3	-33.3		Jul 2016		In Progress
4.2	C	IT	IT Consulting & Requested Projects	162.8	98.0	64.8		Jul 2016		In Progress
	R	IT	ClSCC Information Security Audit	150.0	155.0	-5.0		Sep 2016		In Progress
	R	IT	DSCC Information Security Audit	150.0	82.0	68.0		Apr 2017		In Progress
	R	IT	JSCC Information Security Audit	150.0	112.5	37.5		Aug 2016		In Progress
	R	IT	PSCC Information Security Audit	150.0	153.5	-3.5		Oct 2016		In Progress
	R	IT	RSCC Information Security Audit	150.0	87.5	62.5		Mar 2017		In Progress
	R	IT	STCC Information Security Audit	150.0	176.5	-26.5		Jan 2017		In Progress
	R	IT	WSCC Information Security Audit	150.0	61.5	88.5		May 2017		In Progress
	R	IT	TBR SMO IT Information Security	150.0		150.0		Jul 2017		In Progress
	R	IT	CoSCC Information Security Audit	0.0		0.0		Oct 2017		Scheduled
			Total Planned Audit Hours:	**1585.5**	**1503.3**	**82.3**				

Estimated Available Hours For Audits = 1537.5

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

Status:
Scheduled
In Progress
Completed
Removed

Tennessee Board of Regents - TCATs
Internal Audit Plan
Fiscal Year Ended June 30, 2017
Year-End Status Report

Ranking	Type	Area	Audit	Planned to Actual				Audit Start Date	Completion Date	Status
				Planned Hours	Actual	Variance				
4.7	A	FM	Morristown-IAR-Focused Review FY 2015	7.5	0.5	7.0		Jul 2015	Aug 2016	Completed
4.7	A	FM	Morristown-IAR-Focused Review FY 2016	0.0	43.0	-43.0		Jun 2016	May 2017	Completed
4.0	A	FM	Ripley-IAR-Focused Review FY 2014	0.0	2.5	-2.5		Jun 2015	Jun 2016	Completed
4.0	A	FM	Ripley-IAR-Focused Review FY 2016	37.5	51.0	-13.5		Oct 2016	May 2017	Completed
3.2	A	FM	Knoxville-IAR-Focused Review FY 15-16	0.0	0.5	-0.5		Apr 2016	Aug 2016	Completed
3.1	A	FM	Pulaski-IAR-Focused Review FY 2016	30.0	22.0	8.0		Jul 2016	Aug 2016	Completed
3.0	A	FM	Paris-IAR-Focused Review FY 2016	7.5	94.0	-86.5		Jan 2017		Completed
2.9	A	FM	Athens-IAR-Focused Review FY 2016	22.5	7.5	15.0		Aug 2016	Feb 2017	Completed
2.9	A	FM	Covington-IAR-Focused Review FY 2015	0.0	1.5	-1.5		Jul 2015	Mar 2016	Completed
2.9	A	FM	Covington-IAR-Focused Review FY 2016	15.0	49.5	-34.5		Aug 2016	May 2017	Completed
2.8	A	FM	Crump-IAR-Focused Review FY 14-15	15.0	7.0	8.0		Sep 2015	Aug 2016	Completed
2.8	A	FM	Crump-IAR-Focused Review FY 2016	0.0	3.5	-3.5		Jan 2016	May 2017	Completed
2.8	A	FM	Jackson-IAR-Focused Review FY 2016	7.5	38.5	-31.0		Aug 2016	Nov 2016	Completed
2.2	A	FM	Dickson-IAR-Focused Review FY 2016	0.0	0.5	-0.5		Jan 2016	Aug 2016	Completed
2.2	A	FM	Elizabethton-IAR-Focused Review FY 2016	30.0	142.0	-112.0		Sep 2017	May 2017	Completed
2.0	A	FM	McMinnville-IAR-Focused Review FY 2016	0.0	0.5	-0.5		Jan 2016	Aug 2016	Completed
1.9	A	FM	Murfreesboro-IAR-Focused Review FY 15-16	0.0	0.5	-0.5		Apr 2016	Aug 2016	Completed
1.9	A	FM	Shelbyville-IAR-Focused FY 2016	7.5	55.0	-47.5		Aug 2016	Mar 2017	Completed
1.8	A	FM	Newbern-IAR-Focused Review FY 2015	0.0	4.0	-4.0		Feb 2016	Aug 2016	Completed
1.8	A	FM	Newbern-IAR-Focused Review FY 2016	0.0	25.0	-25.0		Jun 2016	May 2017	Completed
1.6	A	FM	Hohenwald-IAR-Focused Review FY 2016	15.0	35.5	-20.5		Sep 2017	Feb 2017	Completed
4.7	A	FM	Morristown-IAR-Focused Review FY 2017	60.0	7.0	53.0		Jan 2017		In Progress
3.5	A	FM	Livingston-IAR-Focused Review FY 2017	15.0	7.0	8.0		Jan 2017		In Progress
3.4	A	FM	Nashville-IAR-Focused Review FY 2017	7.5	10.0	-2.5		Nov 2016		In Progress
3.2	A	FM	Knoxville-IAR-Focused Review FY 2017	7.5	4.0	3.5		Apr 2017		In Progress
3.2	A	FM	Harriman-IAR-Focused Review FY 2017	7.5	4.0	3.5		Mar 2017		In Progress
3.2	A	FM	Memphis-IAR-Focused Review Equipment FY 2017	0.0	10.5	-10.5		May 2017		In Progress
3.2	A	FM	Memphis-IAR-Focused Review FY 2017	7.5	73.0	-65.5		Nov 2016		In Progress
3.1	A	FM	Pulaski-IAR-Focused Review FY 2017	45.0	6.5	38.5		Jul 2016		In Progress
2.8	A	FM	Crump-IAR-Focused Review FY 2017	7.5	8.5	-1.0		Mar 2017		In Progress
2.8	A	FM	Jackson-IAR-Focused Review FY 2017	15.0	9.5	5.5		Sep 2016		In Progress
2.2	A	FM	Crossville-IAR-Focused Review FY 2017	7.5	4.5	3.0		Feb 2017		In Progress
2.2	A	FM	Elizabethton-IAR-Focused Review FY 2017	105.0	2.0	103.0		Dec 2017		In Progress
2.0	A	FM	McMinnville-IAR-Focused Review FY 2017	7.5	34.5	-27.0		Feb 2017		In Progress
1.9	A	FM	Hartsville-IAR-Focused Review FY 2017	7.5	7.0	0.5		Feb 2017		In Progress
1.9	A	FM	Murfreesboro-IAR-Focused Review FY 2017	7.5	6.5	1.0		May 2017		In Progress
1.9	A	FM	Shelbyville-IAR-Focused Review FY 2017	15.0	12.0	3.0		Aug 2016		In Progress
1.8	A	FM	Newbern-IAR-Focused Review FY 2017	15.0	6.0	9.0		Jul 2017		In Progress
1.6	A	FM	Oneida-IAR-Focused Review FY 2017	15.0	7.0	8.0		Nov 2016		In Progress
1.4	A	FM	Athens-IAR-Focused Review FY 2017	15.0	39.5	-24.5		May 2017		In Progress
1.4	A	FM	Whiteville-IAR-Focused Review FY 2017	7.5	0.5	7.0		Jun 2017		In Progress
1.0	A	FM	Chattanooga-IAR-Focused Review FY 2017	7.5	36.5	-29.0		Apr 2017		In Progress
	C	FM	Consultation	150.0	115.5	34.5		Jul 2016		In Progress
	A	FM	McKenzie-IAR-Focused Review-FY 2016	0.0	74.5	-74.5		Jan 2017		In Progress
	M	IS	Risk Assessment	267.8	141.0	126.8	FN1	Mar 2016		In Progress
	A	FM	TCAT Audit Program Development	150.0	90.0	60.0	FN1	Aug 2016		In Progress
4.0	A	FM	Ripley-IAR-Focused Review FY 2017	15.0		15.0		Jun 2017		Scheduled
3.2	A	FM	Jacksboro-IAR-Focused Review FY 2017	7.5		7.5		Dec 2016		Scheduled
3.0	A	FM	Paris-IAR-Focused Review FY 2017	15.0		15.0		Dec 2016	Jun 2017	Scheduled
2.9	A	FM	Covington-IAR-Focused Review FY 2017	45.0		45.0		Mar 2017		Scheduled
2.2	A	FM	Dickson-IAR-Focused Review FY 2017	7.5		7.5		May 2017		Scheduled
1.9	A	FM	McKenzie-IAR-Focused Review FY 2017	15.0		15.0		Aug 2016		Scheduled
1.6	A	FM	Hohenwald-IAR-Focused Review FY 2017	60.0		60.0		Sep 2017		Scheduled
			Total Planned Audit Hours:	**1310.3**	**1301.0**	**9.3**				

Estimated Available Audit Hours = 1329

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

Status:
Scheduled
In Progress
Completed
Removed

FN1 - Budgeted hours for Risk Assessment reduced, TCAT Audit Program Development added.

Type	Area	Audit	Planned to Actual				Completion Date	Status
			Planned Hours	Actual	Variance			
I	FM	TBR 12-04	0.0	0.0	0.0	FN1	July 2017	Closed
I	FM	TBR 13-02	0.0	0.0	0.0	FN1	June 2017	Closed
I	IA	TBR 14-04	0.0	0.0	0.0	FN1	July 2017	Closed
I	FM	TBR 15-01	7.5	6.0	1.5	FN1	July 2017	Closed
I	FM	TBR 15-03	0.0	0.0	0.0	FN1	July 2017	Closed
I	IS	TBR 16-01	22.5	0.0	22.5	FN1	July 2017	Closed
I	AT	TBR 16-05	15.0	0.0	15.0	FN1	July 2017	Closed
I	FM	TBR 16-21	37.5	26.0	11.5	FN1	July 2017	Closed
I	AT	TBR 16-12	37.5	0.0	37.5		Mar 2017	Completed
I	IA	TBR 16-14	30.0	20.5	9.5		June 2017	Completed
I	IS	TBR 16-15	37.5	3.0	34.5		June 2017	Completed
I	IS	TBR 16-18	22.5	20.0	2.5		July 2016	Completed
I	IS	TBR 16-19	240.0	107.0	133.0		June 2017	Completed
I	IA	TBR 16-20	37.5	6.5	31.0		June 2017	Completed
C	IS	Consultation with Campus Auditors	210.0	217.5	-7.5		June 2017	Completed
I	IS	Investigation Management	270.0	341.5	-71.5		June 2017	Completed
I	FM	Unscheduled Investigations	0.0	0.0	0.0		June 2017	Completed
I	FM	TBR 15-04	7.5	2.0	5.5			In Progress
I	IS	TBR 16-02	240.0	439.5	-199.5			In Progress
I	IA	TBR 16-08	15.0	5.5	9.5			In Progress
I	SS	TBR 16-10	22.5	0.0	22.5			In Progress
I	FM	TBR 16-13	30.0	0.0	30.0			In Progress
I	FM	TBR 16-17	15.0	5.0	10.0			In Progress
I	IS	TBR 17-01	37.5	2.5	35.0			In Progress
I	FM	TBR 17-02	37.5	1.5	36.0			In Progress
		Total:	**1372.5**	**1204.0**	**168.5**			

*   Estimated Available Audit Hours = 1372.5 (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
MC - Marketing and Campus Activities
PP - Physical Plant
RS - Research
SS - Student Services

FN1 - Investigation was administratively closed due to lack of information or relative to a university.

BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Review of Revised Internal Audit Charters

DATE: August 29, 2017

PRESENTER: Mike Batson

ACTION REQUIRED: Voice Vote

STAFF'S
RECOMMENDATION: Approve

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, Motlow State Community College, Chattanooga State Community College, Northeast State Community College, and Jackson State Community College. The charters were revised due to changes in Presidents, Chancellor and Chief Audit Executive positions.

tbr THE COLLEGE SYSTEM
of TENNESSEE
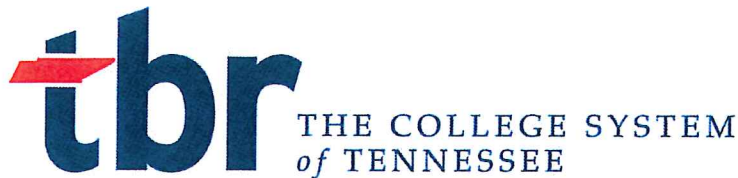
Tennessee Board of Regents

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 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 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 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.

Flora Tydings   8-3-17

Flora Tydings, Chancellor   Date
Tennessee Board of Regents

Mike Batson   07/13/2017

Mike Batson, Chief Audit Executive   Date
Tennessee Board of Regents

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.

Interim President, Motlow State Community College   6-29-17
Date

Auditor, Motlow State Community College   6/29/17
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.

_____   _____
President, Chattanooga State Community College   Date 7/17/17

_____   _____
Auditor, Chattanooga State Community College   Date 7/17/17

Northeast State Community College

Internal Audit Charter

NORTHEAST
STATE
Department of
Internal Audit

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 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
A Tennessee Board of Regents Institution

2425 Highway 75, P.O. Box 246
Blountville, TN 37617
423.354.5228 Fax 423.323.0209
www.NortheastState.edu

We're here to get you there

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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.

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- 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

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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.

_____   8/9/2017
President, Northeast State Community College   Date

_____   8/3/17
Auditor, Northeast State Community College   Date

Jackson State Community College

Internal Audit Charter

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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.

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Allana Hamilton   _8/14/17_

Dr. Allana Hamilton, President   Date

Jackson State Community College

Chrystal Pittman   _8-14-17_

Chrystal Pittman, Interim Director of Internal Audit   Date

Jackson State Community College

BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Review of Fiscal Year 2018 Internal Audit Plans

DATE: August 29, 2017

PRESENTER: Mike Batson

ACTION REQUIRED: Voice Vote

STAFF'S
RECOMMENDATION: Approve

The committee will review and consider for approval internal audits planned for the system institutions for Fiscal Year 2018 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 through 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.

This section contains the following system summaries. The summaries are followed by a detailed audit plan for each institution.

Planned Audits by Type of Review
Planned Audits by Major Functional Area

Tennessee Board of Regents
Planned Audit Hours by Functional Area
Fiscal Year Ending June 30, 2018

Pie chart data:
- Student Services 9%
- Physical Plant 1%
- Marketing & Campus Activities 0%
- Instruction & Academic Support 3%
- Advancement 1%
- Athletics 4%
- Auxiliary 1%
- Financial Management 31%
- Information Technology 13%
- Institutional Support 37%
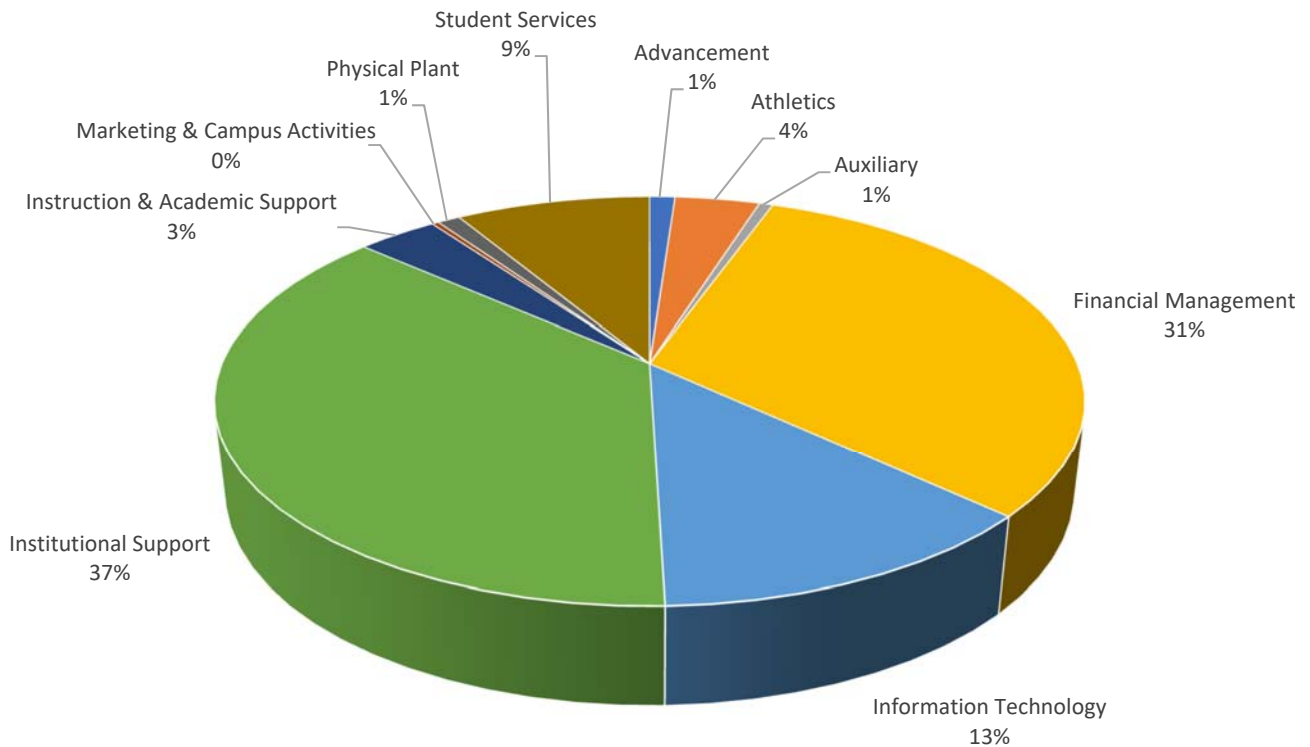
Highlights:

Financial Management includes audits of various financial operating activities within an institution, such as follow-ups to State Audit findings; cash handling or collection; inventories; payroll; procurement card activity and other purchasing; chief executive expenses; and departmental, agency accounts, and other expense areas.

Institutional Support includes audits of various activities in support of other institutional operations, such as human resources; leave reporting; certain compliance audits (Clery, Title IX); and emergency preparedness. It also includes projects of the audit offices, such as the periodic quality assurance reviews; participating in FOCUS taskforces; and the continued implementation of audit software.

Student Services includes audits of various activities supporting students such as financial aid; enrollment and retention services; CCTA data; and student organizations.

Instructional and Academic Support includes audits of various educational programs or activities, such study abroad and workforce development.

	Planned Audits		Planned Audit Days	
Community Colleges	233	77.92%	1940.5	77.85%
SWIA	34	11.37%	413.8	16.60%
TCATs	32	10.71%	138.5	5.55%
	299	100.0%	2492.8	100.0%

Tennessee Board of Regents
Planned Audit Hours by Audit Type
Fiscal Year Ending June 30, 2018
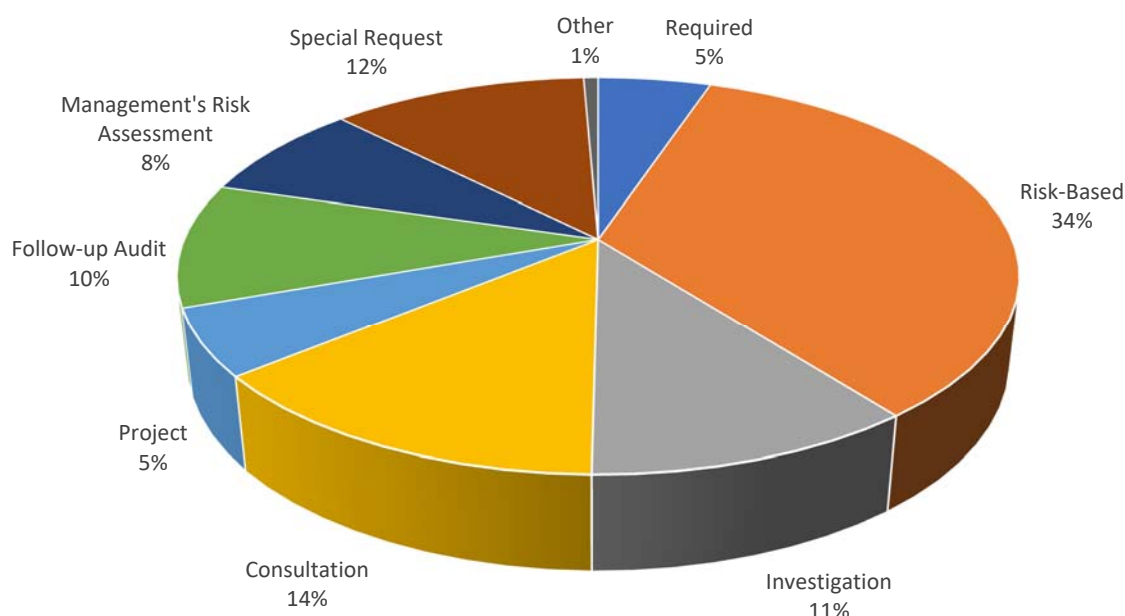
Highlights:

Risk-Based audits are those determined by each Internal Audit Director through a risk analysis of auditable areas, which considers several risk factors. There is a decrease in planned risk-based audits of 13.7% below the prior year plans, which reflects the reduction in availability of audit time due to an increase in consultation and special request audits for the year.

Required audits are those determined by statutes, the system office or others. These audits frequently have a system-wide focus. There is a 5% decrease in planned required audits for the year because there was a focus on special requests and projects. Required audits do include the statutorily mandated audits of chief executives' expenses and year-end cash counts and inventories in support of financial statement audits.

Investigations are planned as a lower percentage than the prior year because of the FOCUS Act.

Special Requests are audits requested by the Audit Committee, management or others to address specific concerns or activities. This category is planned as 9.2% higher than the prior year.

Consultations have increase 6.2% over last fiscal year due to awareness of the assistance Internal Audit can provide to campuses.

Other categories are consistent with previous years.

Internal Audit Plans

By Institution

Fiscal Year Ended June 30, 2018

Chatanooga State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	ChSCC YE Procedures FYE 2017	S	FM	Jun 2017	11.3
5.0	ChSCC State Audit Follow-up	F	FM	Jul 2017	15.0
5.0	Developing Investigations - Assist TBR	I	IS	Jul 2017	15.0
5.0	ChSCC Unscheduled Investigations	I	IS	Jul 2017	60.0
5.0	ChSCC-INV 18-01	I	IS	Jul 2017	45.0
5.0	General Consultation	C	IS	Jul 2017	90.0
5.0	ChSCC Follow up Reviews	F	IS	Jul 2017	90.0
5.0	ChSCC-Special Projects-Audit Software	P	IS	Jul 2017	7.5
5.0	ClSCC-IAR-President's Expense 2017	R	FM	Aug 2017	90.0
5.0	ChSCC-FU-State Audit-Work Study Program	R	FM	Aug 2017	75.0
5.0	ChSCC-IAR-FU-CCTA-Worforce Training Hours	F	SS	Oct 2017	67.5
5.0	ChSCC-IAR-NACHA-2017	S	IT	Nov 2017	75.0
5.0	ChSCC Enterprise Risk Assessment	M	IS	May 2018	60.0
5.0	ChSCC YE Procedures FYE 2018	S	FM	Jun 2018	15.0
4.0	ChSCC-IAR-Human Resources	A	IS	Apr 2017	48.8
4.0	ChSCC-IAR-HR Grievance Process	A	IS	Jan 2018	90.0
3.7	ChSCC-IAR-TN Financial Aid Dollars	S	FM	Apr 2018	90.0
3.3	ChSCC-IAR-Grant Development	A	IS	Feb 2018	90.0
3.3	ChSCC-IAR- Software License Compliance	A	IT	May 2017	75.0
				Total:	**1110.0**

Estimated Available Hours For Audits = 1110.0

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
MC - Marketing and Campus Activities
PP - Physical Plant
RS - Research
SS - Student Services

Cleveland State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	ClSCC-IAR _ Unscheduled investigations 2018	I	IS	Jul 2017	112.5
5.0	ClSCC- IAR- General Consultation 2018	C	IS	Jul 2017	52.5
5.0	ClSCC _ Special Project - Automated Workpapers 2018	P	IS	Jul 2017	15.0
5.0	ClSCC Year End 2017	S	FM	Jul 2017	15.0
5.0	ClSCC-IAR-NACHA 2017	S	FM	Aug 2017	112.5
5.0	ClSCC- IA Letter- MRA 2017	M	IS	Sep 2017	37.5
5.0	ClSCC-IAR-FU-Buildings Access & Keys	F	IS	Sep 2017	15.0
5.0	ClSCC -IAR-FU- 17-01 Abuse of Leave	F	IS	Oct 2017	7.5
5.0	ClSCC- IAR-FU- State Audit 2018	F	IS	Nov 2017	75.0
5.0	ClSCC-IAR-FU-Emergency Preparedness	F	IS	Dec 2017	7.5
5.0	Athens- IA Letter MRA 2018	M	IS	Feb 2018	37.5
5.0	ClSCC-IAR-NACHA 2018	S	FM	May 2018	112.5
5.0	ClSCC Year End 2018	S	FM	Jun 2018	30.0
3.3	ClSCC-IAR-Maintenance/Tuition and Related Fees	A	FM	Oct 2017	112.5
3.3	ClSCC-IAR-Enrollment Services	A	SS	Apr 2018	112.5
3.2	ClSSCC-IAR-Payroll	A	FM	Oct 2017	105.0
				Total:	**960.0**

Estimated Available Hours For Audits = 960.0

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Columbia State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	Management Advisory Services	C	IA	Jul 2017	30.0
5.0	Review Management's Risk Assessment	M	IS	Sep 2017	37.5
5.0	Follow-up State Audit Finding	F	IT	Oct 2017	37.5
5.0	Funding Formula	A	SS	Nov 2017	75.0
5.0	Review Management's Risk Assessment_TCAT Pulaski	M	IS	Feb 2018	7.5
5.0	Review Management's Risk Assessment_TCAT Hohenwald	M	IS	Feb 2018	7.5
4.0	Financial Aid-Phase 1	A	SS	Jul 2017	150.0
4.0	Follow-up State Audit Finding	F	SS	Oct 2017	37.5
3.7	DoD MOU Compliance	S	SS	Apr 2018	37.5
3.6	General Requests	C		Aug 2017	37.5
3.6	Title IX - Self Assessment	C	AT	Oct 2017	112.5
3.6	Eligibility and Financial Aid	A	AT	Jan 2018	112.5
3.1	Awareness Education	C	IS	Aug 2017	37.5
3.1	IIA Quality Assurance Self-assessment	R	IS	Jan 2018	37.5
3.1	Develop Continuous Audit_Argos Training and Data Block Development_Data Analytics	P	IS	Sep 2017	46.9
3.0	Emergency Plan Compliance Review	A	PP	Feb 2018	112.5
3.0	State Audit Year-End Work	R	FM	May 2018	45.0
2.9	Annual Departmental Budget Briefings	M	IS	Jul 2017	30.0
2.9	Policy Compliance Reviews	A	IS	Aug 2017	75.0
2.9	Engagement Follow-up Review	F	IS	Continuous	47.3
				Total:	**1114.1**

Estimated Available Hours For Audits = 1114.1

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Dyersburg State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	DSCC - IAR - Faculty Sick Leave	S	FM	Jul 2017	20.0
5.0	DSCC - Unscheduled Investigations	I	IS	Jul 2017	65.0
5.0	DSCC - CON - General Consultation	C	IS	Jul 2017	50.0
5.0	DSCC - CON - PII Review	C	IS	Jul 2017	120.0
5.0	DSCC-RA-Insittutional Support	M	IS	Oct 2017	65.0
5.0	DSCC-RA-Information Technology	M	IT	Oct 2017	65.0
5.0	DSCC-IAR-FU to State Audit 2017	F	FM	Jan 2018	25.0
4.3	DSCC-IAR-Advising Services	A	SS	May 2018	65.0
4.3	DSCC-IAR Enrollment/Retention/Graduation Rates	R	IA	Apr 2018	180.0
4.1	DSCC FA Federal Work Study Program	S	SS	Jul 2017	30.0
4.0	DSCC-IAR-Athletics Camps, Clinics, Fundraising	A	AT	Mar 2018	75.0
3.9	DSCC-IAR-Athletics Eligibility	A	AT	Jan 2018	72.0
3.7	DSCC-IAR-Cash Handling Procedures	S	FM	Nov 2017	120.0
3.7	Year End Bank Confirmations - Cash Counts 2017	R	FM	Jun 2018	30.0
3.5	DSCC-IAR-Human Resources	A	IS	Feb 2018	120.0
3.0	Records Management and Retention 2017	A	FM	Dec 2017	90.0
				Total:	**1192.0**

Estimated Available Hours For Audits = 1192

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Jackson State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	JSCC Foundation	A	AD	Dec 2017	150.0
5.0	Payroll Follow up	F	FM	Nov 2017	90.0
5.0	Access and Diversity Follow up	F	FM	Jul 2017	135.0
5.0	JSCC - Year-end Procedures	A	FM	Jun 2018	37.5
5.0	Study Abroad Follow up	F	IA	Jul 2017	135.0
5.0	JSCC Risk Assessment	M	IA	Sep 2017	112.5
5.0	General Consultation	C	IS	Jul 2017	60.0
5.0	Unscheduled Investigations	I	IS	Jul 2017	75.0
5.0	IIA Quality Assurance Review	P	IS	Jan 2018	187.5
5.0	Emergency Preparedness Follow up	F	IS	Mar 2018	60.0
5.0	JSCC Risk Assessment	M	IS	Sep 2017	112.5
5.0	CCTA Funding Formula End of Term	A	SS	Jan 2018	187.5
5.0	TCAT Risk Assessment	M	IS	Jan 2018	97.5
4.1	Financial Aid	A	IS	Apr 2018	172.5

Total:					**1612.5**

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Motlow State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	INV 1602	I	AT	Jul 2017	5.2
5.0	INV 1604	I	AT	Jul 2017	20.3
5.0	CO Financial Management	C	FM	Jul 2017	15.7
5.0	State Audit Assistance Year End	R	FM	Jul 2017	20.3
5.0	Data Analytics	P	FM	Jul 2017	50.2
5.0	FU Other Internal Audit	F	IS	Jul 2017	9.7
5.0	INV	I	IS	Jul 2017	50.2
5.0	CO Institutional Support	C	IS	Jul 2017	15.7
5.0	FU Information Technology	F	IT	Jul 2017	20.3
5.0	CO Information Technology	C	IT	Jul 2017	15.7
5.0	INV 1601	I	IT	Jul 2017	20.3
5.0	CO Student Services	C	SS	Jul 2017	15.7
5.0	CO Marketing and Campus Activities	C	MC	Jul 2017	15.7
5.0	IAR-Access and Diversity Funds	S	FM	Aug 2017	45.0
5.0	MRA Financial Management	M	FM	Sep 2017	39.0
5.0	IAR Study Abroad	S	IA	Sep 2017	75.0
5.0	INV 1603	I	IA	Sep 2017	20.3
5.0	IAR Human Resources	A	IS	Nov 2017	124.5
5.0	FU INV 1604	F	AT	Dec 2017	19.5
5.0	FU INV 1601	F	IT	Dec 2017	19.5
5.0	MRA TCAT McMinnville	M	IS	Jan 2018	19.5
5.0	MRA TCAT Murfreesboro	M	IS	Jan 2018	19.5
5.0	FU Financial Aid	F	IS	Jan 2018	124.5
5.0	MRA TCAT Shelbyville	M	IS	Feb 2018	19.5
4.8	IAR Admissions and Registration	A	SS	Sep 2017	124.5
4.7	IAR Atheltics Audit	A	AT	Feb 2018	99.8
4.5	IAR Workforce Development	A	MC	Apr 2018	39.8
				Total:	**1065.0**

Estimated Available Hours For Audits = 1065.0

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
MC - Marketing and Campus Activities
PP - Physical Plant
RS - Research
SS - Student Services

	Nashville State Community College **Internal Audit Plan** **Fiscal Year Ending June 30, 2018**				
Ranking	**Audit**	**Type**	**Area**	**Audit Start Date**	**Hours Planned**
5	NaSCC-INV-Unscheduled Investigations	I	IS	Jul 2017	112.5
5	NaSCC-IA Letter MRA	M	IS	Aug 2017	90.0
5	TCATD-IA Letter MRA	M	IS	Feb 2018	22.5
5	TCATN-IA Letter MRA	M	IS	Feb 2018	22.5
5	NaSCC-IA Audit Software	P	IS	Jul 2017	45.0
5	NaSCC-IA Year-End Work	R	FM	Jun 2018	37.5
4.2	Disaster Recovery	A	IT	Mar 2018	112.5
4	PII (and PHI) Data Security	A	IT	Nov 2017	37.5
4	JSCC President Exp Audit 2016-2017	R	FM	Aug 2017	90.0
4	NaSCC-IAR PP&E Accounting	A	FM	Nov 2017	37.5
4	NaSCC Assisting SWIA	S	IS	Jul 2017	37.5
3.7	NaSCC-State Audit	F	FM	Sep 2017	45.0
3.7	Account Reconciliation Procedures	A	FM	Oct 2017	37.5
3.5	Contracts compliance	A	FM	Dec 2017	37.5
3.4	Security - Clery Act	A	PP	May 2018	37.5
2.8	NaSCC-IA Follow-Up	F	IS	Apr 2018	52.5
2.7	NaSCC INV 18-01	I	SS	Jul 2017	22.5
2.7	NaSCC Federal Work Study Program	A	SS	Jan 2018	37.5
2.5	NaSCC-IA General Consultation	C	IS	Jul 2017	75.0
				Total:	**990.0**

Estimated Available Hours For Audits = 990

Audit Types:
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Functional Areas:
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SS - Student Services

Northeast Tennessee State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	State Audit Assistance-Yr End	A	FM	Jul 2017	45.0
5.0	Electronic Workpapers Software	C	IS	Jul 2017	52.5
5.0	Other Internal Audit Follow-Up	F	FM	Jul 2017	37.5
5.0	Risk Assessments	A	FM	Jul 2017	75.0
5.0	TCAT RISK Assessment	F	IS	Jul 2017	15.0
5.0	Special Requests and Projects	M	FM	Jul 2017	52.5
5.0	General Consultation	M	FM	Jul 2017	105.0
5.0	E-textbooks	P	IS	Jul 2017	150.0
4.7	Accounts Receivable Review	A	IS	Jul 2017	150.0
4.0	Grants and Contracts Review	S	IS	Jul 2017	135.0
4.0	Foundation/Advancement Review	A	IS	Jul 2017	135.0
3.8	Bank Reconciliations Review	A	FM	Jul 2017	75.0
				Total:	**1027.5**

Estimated Available Hours For Audits = 1027.5

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
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IT - Information Technology
MC - Marketing and Campus Activities
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SS - Student Services

Pellissippi State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	Consulting/Special Request	C	AD	Jul 2017	37.5
5.0	Audit Follow Ups	F	IS	Jul 2017	60.0
5.0	Review of RFP's, cafe prices, & other purchasing issues	P	FM	Jul 2017	45.0
5.0	Consulting/Special Request	C	IS	Jul 2017	97.5
5.0	IT Security Consulting, Etc.	C	IT	Jul 2017	37.5
5.0	MKInsight Software	P	IS	Jul 2017	60.0
5.0	Enterprise Wide Risk Assessment	M	IS	Sep 2017	37.5
5.0	Faculty Credentials	S	IS	Nov 2017	105.0
5.0	Review of Compliance Assist	C	IS	Dec 2017	30.0
5.0	TCAT Knoxville Risk Assessment	M	IS	Jan 2018	7.5
5.0	NACHA	S	FM	Feb 2018	75.0
5.0	Review of Higher Ed Compliance Matrix	P	IA	Feb 2018	45.0
5.0	Review of French Exchange Program	P	IA	Apr 2018	52.5
3.8	Clery Act Review	A	IS	Aug 2017	75.0
3.5	Bank Reconciliations	A	FM	Sep 2017	90.0
3.4	CCTA (Funding Formula)	A	SS	Mar 2018	97.5
2.7	Accounts Receivable	A	FM	May 2017	52.5
				Total:	**1005.0**

Estimated Available Hours For Audits = 1005.0

Audit Types:
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I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
C - Consultation
F - Follow-up Review
O - Other

Functional Areas:
AD - Advancement
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SS - Student Services

Roane State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	Enterprise Risk Assessment	M	IS	Jul 2017	60.0
5.0	General Consultation	C	IS	Jul 2017	90.0
5.0	IAR-Access & Diversity FY2016	S	FM	Sep 2017	22.5
5.0	IAR-TCAT Crossville RA	M	IS	Dec 2017	15.0
5.0	IAR-TCAT Harriman RA	M	IS	Dec 2017	15.0
5.0	IAR-TCAT Jacksboro RA	M	IS	Dec 2017	15.0
5.0	IAR-TCAT Oneida RA	M	IS	Dec 2017	15.0
5.0	IAR-Year End Cash Counts	R	FM	May 2018	37.5
5.0	MKI Implementation	P	IS	Jul 2017	22.5
4.0	ACA Reporting	S	FM	Sep 2017	75.0
4.0	Follow-Up Reviews	F	FM	Jul 2017	37.5
4.0	Foundation	S	AX	Nov 2017	112.5
4.0	INV1701	I	PP	Jul 2017	7.5
4.0	INV1702	I	FM	Jul 2017	105.0
4.0	SACS - COC Audit	S	IS	Nov 2017	112.5
4.0	State Audit Follow-Up	F	FM	Jul 2017	75.0
4.0	Unscheduled Investigations	I	FM	Jul 2017	75.0
4.0	WSCC - President's Expense Audit FY17	R	FM	Jul 2017	90.0
				Total:	**982.5**

Estimated Available Hours For Audits = 982.5

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
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IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
MC - Marketing and Campus Activities
PP - Physical Plant
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SS - Student Services

Southwest Tennessee State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	FU-Federal Audit Follow up	F	FM	Oct 2017	22.5
5.0	FU-Internal Audit Follow Up	F	IS	Jul 2017	37.5
5.0	FU-State Audit Follow UP	F	FM	Nov 2017	105.0
5.0	IAR-Risk Management TCAT	A	IS	Sep 2017	22.5
4.0	ACM-Audit Software	P	IS	Jul 2017	90.0
4.0	FU-Access and Diversity Fund	F	FM	Oct 2017	30.0
4.0	FU-Federal Work Study	F	FM	Jan 2018	105.0
4.0	FU-Follow Up Credit Card	F	FM	Aug 2017	15.0
4.0	FU-Follow Up Tuition Statements	F	FM	Aug 2017	15.0
4.0	FU-Industrial Readiness	F	FM	Aug 2017	22.5
4.0	FU-Off Campus International Education	F	FM	Aug 2017	22.5
4.0	IAR-Out of State Tuition	S	SS	Mar 2018	60.0
4.0	IAR-Technology Access Fee	A	FM	Apr 2018	60.0
4.0	INV16-02	I	SS	Aug 2017	30.0
4.0	INV16-04	I	FM	Jan 2017	37.5
4.0	INV16-08	I	FM	Aug 2017	22.5
4.0	INV17-01	I	FM	Aug 2017	30.0
4.0	INV17-04	I	FM	Jul 2017	22.5
4.0	INV17-05	I	PP	Jul 2017	30.0
4.0	INV17-07	I	SS	Aug 2017	37.5
4.0	INV18-01	I	SS	Jul 2017	75.0
4.0	IAR Review of Security	A	IS	Feb 2018	45.0
2.7	IAR-Cash Count	S	FM	Jul 2017	30.0
2.6	IAR-General Consultation	C	IS	Jul 2017	105.0
2.6	Unscheduled Investigations	I	IS	Jul 2017	82.5
	IAR-Risk Management 2016-2017	A	IS	Jan 2018	30.0
				Total:	**1185.0**

Estimated Available Hours For Audits = 1185

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
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IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
MC - Marketing and Campus Activities
PP - Physical Plant
RS - Research
SS - Student Services

Volunteer State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	IAR Athletic Work Study Program	S	AT	Jul 2017	187.5
5.0	Follow-Up Activities	F	IS	Jul 2017	75.0
5.0	Unscheduled Investigations	I	IS	Jul 2017	37.5
5.0	General Consultation	C	IS	Jul 2017	112.5
5.0	President's Expense Audit	R	FM	Aug 2017	150.0
5.0	Management Risk Assessment	M	IS	Aug 2017	75.0
5.0	IAR Student Campus Activities	S	SS	Dec 2017	187.5
5.0	TCAT Hartsville Management Risk Assessment	M	IS	Jan 2018	37.5
5.0	TCAT Livingston Management Risk Assessment	M	IS	Jan 2018	37.5
5.0	State Audit Year-End Procedures	S	FM	May 2018	37.5
3.5	Work Study Program	A	SS	Mar 2018	150.0
				Total:	**1087.5**

Estimated Available Hours For Audits = 1087.5

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
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FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
MC - Marketing and Campus Activities
PP - Physical Plant
RS - Research
SS - Student Services

Walters State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	FY17 Fiscal Year-End Procedures for State Audit	R	FM	Jul 2017	30.0
5.0	FY17 Institutional Support Consulting	C	IS	Jul 2017	52.5
5.0	FY17 Unscheduled Investigations	I	IS	Jul 2017	60.0
5.0	FY18 Cloud Computing Audit	A	IT	Jul 2017	30.0
5.0	FY16 IT Governance	A	IT	Jul 2017	30.0
5.0	FY18 Foundation Risk Assessment	M	AD	Sep 2017	22.5
5.0	FY18 Information Technology Risk Assessment	M	IT	Sep 2017	22.5
5.0	FY17 PCI-DSS	A	FM	Jan 2018	225.0
5.0	FY18 Accounts Receivable Audit	A	FM	Mar 2018	187.5
4.0	FY18 Unscheduled Investigations	I	IS	Jul 2017	112.5
4.0	FY18 President's Expenses Audit	S	FM	Aug 2017	30.0
4.0	FY18 Enterprise-wide Risk Assessment	M	IS	Sep 2017	7.5
4.0	FY18 Institutional Support Consultation	C	IS	Sep 2017	112.5
4.0	FY18 Planning, Research & Assessment Risk Assessment	M	IS	Sep 2017	22.5
4.0	FY18 Institutional Support Risk Assessment	M	IS	Sep 2017	22.5
4.0	FY18 NACHA Compliance Review	S	FM	Oct 2017	187.5
4.0	FY18 TCAT Enterprise-wide Risk Assessment	M	IS	Feb 2018	15.0
4.0	FY18 Fiscal Year-End Procedures for State Audit	R	FM	Jun 2018	52.5
				Total:	**1222.5**

Estimated Available Hours For Audits = 1222.5

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
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IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
MC - Marketing and Campus Activities
PP - Physical Plant
RS - Research
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Tennessee Board of Regents - Information Security
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
5.0	ChSCC Information Security Audit	A	IT	Sep 2017	135.0
5.0	ClSCC Information Security Audit	A	IT	Jul 2017	11.3
5.0	CoSCC Information Security Audit	A	IT	Nov 2017	135.0
5.0	DSCC Information Security Audit	A	IT	Jul 2017	13.1
5.0	JSCC Information Security Audit	A	IT	Jul 2017	11.3
5.0	MSCC Information Security Audit	A	IT	Oct 2017	135.0
5.0	NaSCC Information Security Audit	A	IT	Jan 2018	135.0
5.0	NeSCC Information Security Audit	A	IT	Apr 2018	135.0
5.0	PSCC Information Security Audit	A	IT	Jul 2017	13.1
5.0	RSCC Information Security Audit	A	IT	Jul 2017	13.1
5.0	SWCC Information Security Audit	A	IT	Jul 2017	13.1
5.0	VSCC Information Security Audit	A	IT	Mar 2018	135.0
5.0	WSCC Information Security	A	IT	Jul 2017	37.5
5.0	Development of Business Continuity Plan	P	IS	Jul 2017	52.5
5.0	TBR SMO IT Information Security	A	IT	Aug 2017	135.0
5.0	Tn eCampus Information Security	A	IT	Feb 2018	97.5
5.0	Banner 9 Upgrade & Shared Services Project	P	IT	Jul 2017	75.0
5.0	TCAT IT Questionaire	P	IT	Jul 2017	9.4
5.0	SWIA Follow-up on all SW IT Audits	F	IT	Jul 2017	75.0
4.2	IT Consulting & Requested Projects	C	IT	Jul 2017	281.3
4.2	ID & Assessment of Pen test + tools	C	IT	Jul 2017	75.0
4.2	Requested assistance for Social Engineering	C	IT	Jul 2017	15.0
3.4	TCAT - Cyber Security @ Shared Services	P	IT	Jun 2018	75.0
				Total:	**1813.1**

Estimated Available Hours For Audits = 1813.1

Audit Types:
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A - Risk-Based (Assessed)
S - Special Request
I - Investigation
P - Project (Ongoing or Recurring)
M - Management's Risk Assessment
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F - Follow-up Review
O - Other

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IS - Institutional Support
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MC - Marketing and Campus Activities
PP - Physical Plant
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Tennessee Board of Regents - TCAT
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audit	Type	Area	Audit Start Date	Hours Planned
4.7	FY 17 Morristown-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
4.0	FY 17 Ripley-IAR-Equipment/Security Review	A	FM	Jul 2017	22.5
3.5	FY 17 Livingston-IAR-Equipment/Security Review	A	FM	Feb 2018	30.0
3.4	FY 17 Nashville-IAR-Equipment/Security Review	A	FM	Jul 2017	30.0
3.2	FY 17 Knoxville-IAR-Equipment/Security Review	A	FM	Sep 2017	30.0
3.2	FY 17 Jacksboro-IAR-Equipment/Security Review	A	FM	Aug 2017	22.5
3.2	FY 17 Harriman-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
3.2	FY 17 Memphis-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
3.1	FY 17 Pulaski-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
3.0	FY 17 Paris-IAR-Equipment/Security Review	A	FM	Jan 2018	30.0
2.9	FY 17 Covington-IAR-Equipment/Security Review	A	FM	Jan 2018	30.0
2.8	FY 17 Crump-IAR-Equipment/Security Review	A	FM	Jul 2017	30.0
2.8	FY 17 Jackson-IAR-Equipment/Security Review	A	FM	Jul 2017	30.0
2.2	FY 17 Crossville-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
2.2	FY 17 Dickson-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
2.2	FY 17 Elizabethton-IAR-Equipment/Security Review	A	FM	Sep 2017	30.0
2.0	FY 17 McMinnville-IAR-Equipment/Security Review	A	FM	Feb 2017	30.0
1.9	FY 17 McKenzie-IAR-Equipment/SecurityReview	A	FM	Nov 2017	30.0
1.9	FY 17 Hartsville-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
1.9	FY 17 Murfreesboro-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
1.9	FY 17 Murfreesboro-IAR-Equipment/Security Review	A	FM	Jun 2018	30.0
1.9	FY 17 Shelbyville-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
1.8	FY 17 Newbern-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
1.6	FY 17 Oneida-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
1.6	FY 17 Hohenwald-IAR-Equipment/Security Review	A	FM	Nov 2017	30.0
1.4	FY 17 Whiteville-IAR-Equipment/Security Review	A	FM	Aug 2017	30.0
1.4	FY 17 Athens-IAR-Equipment/Security Review	A	FM	Sep 2017	37.5
1.0	FY 17 Chattanooga-IAR-Equipment/Security Review	A	FM	May 2017	30.0
N/A	TCAT Consulting	C	FM	Jul 2017	67.5
N/A	TCAT AP Creation	O	FM	Jul 2017	67.5
N/A	Risk Assessment	O	IS	Jul 2017	56.3
N/A	Sample Presentation	S	IS	Jul 2017	15.0

Total: 1038.8

Estimated Available Hours For Audits = 1038

Audit Types:
R - Required
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M - Management's Risk Assessment
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O - Other

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SS - Student Services

Tennessee Board of Regents - Investigations
Internal Audit Plan
Fiscal Year Ending June 30, 2018

Ranking	Audits	Type	Area	Audit Start Date	Hours Planned
5.0	Consultation with Campus Auditors	C	IS	Jul 2017	337.5
5.0	Investigation Management	C	IS	Jul 2017	337.5
4.0	TBR INV 15-04	I	FM	Jul 2017	15.0
4.0	TBR INV 16-02	I	IS	Jul 2017	90.0
4.0	TBR INV 16-08	I	IA	Jul 2017	15.0
4.0	TBR INV 16-10	I	SS	Jul 2017	15.0
4.0	TBR INV 16-13	I	FM	Jul 2017	22.5
4.0	TBR INV 16-17	I	FM	Jul 2017	15.0
4.0	TBR INV 17-01	I	IS	Jul 2017	30.0
4.0	TBR INV 17-02	I	FM	Jul 2017	37.5
4.0	Unscheduled Investigations	I	FM	Jul 2017	375.0
				Total:	**1290.0**

Estimated Available Hours For Audits = 1,290 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
O - Other

Functional Areas:
AD - Advancement
AT - Athletics
AX - Auxiliary
FM - Financial Management
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
MC - Marketing and Campus Activities
PP - Physical Plant
RS - Research
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