TENNESSEE BOARD OF REGENTS
Committee on Audit

AGENDA
September 1, 2020

I.   **INFORMATIONAL REPORTING (Mike Batson)**
   a. **Highlights of Audit Findings and Recommendations**
   b. **Audit Reports and Reviews**
   c. **System-wide Internal Audit Updates**

II. **CONSENT AGENDA (Mike Batson)**
   a. **Review of Internal Audit Plans for Fiscal Year 2021**
   b. **Review of New Internal Audit Charters**

III. **REVIEW OF INTERNAL AUDIT YEAR-END STATUS REPORTS FOR FISCAL YEAR 2020 (Mike Batson)**

IV. **REVIEW OF AUDIT COMMITTEE CHARTER, RESPONSIBILITIES, AND IIA STANDARDS (Mike Batson)**

V.   **NON-PUBLIC EXECUTIVE SESSION (Mike Batson)**

BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Highlights of Audit Findings and Recommendations

DATE: September 1, 2020

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S
RECOMMENDATION: Accept Report

The following items will be discussed with the Audit Committee:

Campus Safety and Security
Recommendation Logs

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 June 30, 2020. 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	Finding	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
CoSCC	13-Jan-20	As noted in the prior audit, the college did not submit Return of Title IV Funds timely	Director, Financial Aid Business Analyst	1-Dec-19			5-Feb-20	17-Jun-20	Action Completed
CoSCC	13-Jan-20	As noted in the prior audit, the college did not comply with the requirements of the Federal Work-Study program.	Director, Financial Aid	1-Sep-19			5-Feb-20	17-Jun-20	Action Completed
CoSCC	13-Jan-20	As noted in the prior audit, Columbia State Community College did not provide adequate internal controls in two areas.	Director, Financial Aid	1-Dec-19			5-Feb-20	17-Jun-20	Action Completed
MSCC	24-Sep-19	Motlow State Community College did not provide adequate internal controls in one area	Chief Financial Officer and Comptroller	21-Apr-20			16-Apr-20		Action Completed
ChSCC	23-Oct-19	ChSCC FY 2018 & 2017 - Finding 1 of 1 Chattanooga State Community College did not provide adequate internal controls in thirteen specific areas. Pursuant to Standard 4.40 of the U.S. Government Accountability Office's Government Auditing Standards, we omitted details from this finding because they are confidential under the provisions of Section 10-7-504(i), Tennessee Code Annotated. Three of thirteen areas have been corrected.	Executive Vice President of Business and Finance, Vice President of Technology	20-Mar-20	Date has not been defined due to CoVid 19. Three remaining areas.	1	30-Jan-20	29-Jul-20	In Progress

		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	14-Jan-19	Management should evaluate actions to take to strengthen internal controls and adherence to the policy within the student organizations, and ensure that all advisors and club officers are aware and follow policy 3:01:01:00, Student Organizations, Fiscal Procedures.	VP of Student Services	31-May-19		0	28-Jun-19		Action Completed
ClSCC	14-Jan-19	Management should decide what type accounts student organization can and cannot have and specify in policy. In addition, management should determine and document how long records should be kept based on the current retention requirements.	VP of Student Services	1-Jul-19		0	30-Aug-19		Action Completed
ClSCC	20-Jun-19	Management should develop a process to ensure the conflict of interest forms are completed and filed with Human Resources annually in January.	VP of Student Services	31-Jan-20		0	3-Feb-20		Action Completed
CoSCC	20-Feb-20	Enhance Foundation Board education and awareness on potential conflicts of interest, and ensure Board member submission and abidance of Code of Ethics acknowledgements. Review and adjust inter-agency controls and communication to support identification and evaluation of potential and reported conflicts of interest.	Vice President, Advancement	1-Apr-20				29-Jul-20	Action Completed
CoSCC	20-Feb-20	Establish a Foundation Board approved procurement policy that outlines expectations for processing routine transactions, establishes criteria for identifying non-routine transactions and establishes expectations for processing non-routine transactions so that the Foundation Board is assured Foundation business is conducted using sound business practices that result in appropriate reporting of financial and other activities.	Vice President, Advancement	30-Jun-20				29-Jul-20	Action Completed
DSCC	28-Mar-19	DSCC Workforce and Community Dev. - #1 of 1 - Internal controls and review procedures should be improved to ensure that only correct data is collected and included on the THEC *Economic and Workforce Development Contact Hours* report.	Director of Continuing Education - (There has been complete turnover in this department since	30-Nov-19		0	21-Nov-19	22-Nov-19	Action Completed
DSCC	30-Apr-19	DSCC Faculty Sick Leave Reporting - #1 of 1 - A list of Best Practices is provided and should be implemented consistently by all applicable Vice President's, Dean's, and Department Coordinators. More effort to train these procedures to faculty members should be made.	Vice President for the College	31-Oct-19		0	29-May-20	29-May-20	Action Completed
DSCC	31-May-19	DSCC Conflict of Interest #1 of 3 - The Human Resources department should create a "trace file" in order to monitor the return of the annual Conflict of Interest Disclosure forms from the personnel required to complete this form in January of each year.	Director of Human Resources	31-Oct-19		0	31-Jan-20	6-Feb-20	Action Completed
DSCC	31-May-19	DSCC Conflict of Interest #2 of 3 - The Conflict of Interest Disclosure Review committee should formally meet each semester and minutes should be taken and distributed to the appropriate personnel.	Coordinator of English, learning Support Writing and Orientation	31-Oct-19		0	28-Oct-19	6-Feb-20	Action Completed
DSCC	31-May-19	DSCC Conflict of Interest #3 of 3 - The DSCC Conflict of Interest Policy should be updated to include committee meetings each semester, the receipt and review of all required Conflict of Interest Disclosure forms by the Conflict of Interest Disclosure Review committee, and the issuance of minutes for the Conflict of Interest Disclosure Review committee meetings.	Coordinator of English, learning Support Writing and Orientation	30-Nov-19		0	8-Nov-19	6-Feb-20	Action Completed

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
		TBR SWIA - Status Report on Internal Audit Recommendations- Community Colleges **(Reports sorted by Status, Institution, Report Release Date)**							
JSCC	24-Oct-14	JSCC-IAR-Emergency Preparedness Plan Audit- 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-Jan-20	2	30-Mar-17	12-Jun-20	Action Completed
JSCC	24-Oct-14	JSCC-IAR- Emergency Preparedness Plan Audit- 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-Jan-20	2	30-Mar-17	12-Jun-20	Action Completed
MSCC	25-Aug-17	Training of coaching staff should occur at least annually.	Executive Vice President of Academic Affairs and Student Success, Assistant Vice President of Student Success, and Dean of Athletics	23-Feb-18	15-May-20	6	1-Aug-18	15-May-20	Action Completed
MSCC	25-Aug-17	Student-athletes and parents should receive clear communications.	Executive Vice President of Academic Affairs and Student Success, Assistant Vice President of Student Success, and Dean of Athletics	23-Feb-18	15-May-20	6	1-Aug-18	15-May-20	Action Completed
MSCC	25-Aug-17	Scholarships should be earmarked for specified purpose.	Executive Vice President of Academic Affairs and Student Success, Assistant Vice President of Student Success, and Dean of Athletics	23-Feb-18	15-May-20	6	1-Aug-18	15-May-20	Action Completed

| | | 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
MSCC	25-Aug-17	Usage of the courtesy car provided by an auto dealership should be tracked and managed.	Executive Vice President of Academic Affairs and Student Success, Assistant Vice President of Student Success, and Dean of Athletics	23-Feb-18	15-May-20	6	1-Aug-18	15-May-20	Action Completed
MSCC	25-Aug-17	A procedure or policy should be developed for management of gas charge cards.	Executive Vice President of Academic Affairs and Student Success, Assistant Vice President of Student Success, and Dean of Athletics	23-Feb-18	15-May-20	6	1-Aug-18	15-May-20	Action Completed
MSCC	25-Aug-17	Records for personal versus business use of an employer-provided vehicle should be maintained and tax implications for personal use be reported annually.	Executive Vice President of Academic Affairs and Student Success, Assistant Vice President of Student Success, and Dean of Athletics	23-Feb-18	15-May-20	6	1-Aug-18	15-May-20	Action Completed
MSCC	4-May-18	MSCC Policy 5:10:00:00, Faculty Class Assignment, Teaching Load & Summer School should be reviewed for revisions to consistently refer to equated load versus credit hours.	Executive Vice President of Academic Affairs and Student Success, Assistant Vice President for Academic Affairs	4-Nov-18	15-May-20	4	19-Dec-18	1-May-20	Action Completed
MSCC	4-May-18	The "Outside Employment and Extra Compensation Request" form should be included in MSCC policy. MSCC references TBR Policy 5:01:05:00, Outside Employment and Extra Compensation, but no MSCC policy references the form or the process where the employee obtains prior approval before engaging in outside employment.	Executive Vice President of Academic Affairs and Student Success, Assistant Vice President for Academic Affairs	4-Nov-18	15-May-20	4	19-Dec-18	1-May-20	Action Completed

		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
MSCC	4-May-18	MSCC Policy 5:10:00:00, Faculty Class Assignment, Teaching Load & Summer School should be reviewed to determine if the intended purpose of the policy applies to limiting faculty load for outside employment.	Executive Vice President of Academic Affairs and Student Success, Assistant Vice President for Academic Affairs	4-Nov-18	15-May-20	4	19-Dec-18	1-May-20	Action Completed
MSCC	14-Feb-20	The current agreement between Motlow State Community College and Motlow College Foundation was signed June 27, 2011. There is a 2016 version of an update to the TBR Model Agreement Between the Institution and Foundation that has not been placed into effect. It is recommended that Motlow State Community College update the Agreement Between Motlow State Community College and the Motlow College Foundation per Tennessee Board of Regent's Policy 4:01:07:02, *Foundations* .	Chief Financial Officer, Executive Director of the Foundation	1-Jul-20				24-Apr-20	Action Completed
STCC	21-Dec-18	Public Safety Inventory Procedures 1 of 1: For compliance with the TBR guideline, Finance should identify and record all weapons purchased by the college for an inventor list that can be used to conduct an annual physical inventory.	Director of Public Safety	30-Jun-19		0	1-Aug-19		Action Completed
STCC	12-Mar-19	Federal Work Study 1 of 4: Review the academic calendar to determine the first and last day of scheduled classes.	Financial Aid Specialist	31-Dec-19		0		20-Feb-20	Action Completed
STCC	12-Mar-19	Federal Work Study 2 of 4: Print a copy of the student's class schedule.	Financial Aid Specialist	31-Dec-19		0		20-Feb-20	Action Completed
STCC	12-Mar-19	Federal Work Study 3 of 4: Meet with the student and enforce that the student must not work during scheduled class time. Set up a work schedule with student that does not conflict with scheduled classes and let the student know they cannot deviate from the schedule without consulting with their supervisor.	Financial Aid Specialist	31-Dec-19		0		20-Feb-20	Action Completed
STCC	12-Mar-19	Federal Work Study 4 of 4: Retain a copy of the approved work schedule and compare it to the actual hours worked when approving time cards.	Financial Aid Specialist	31-Dec-19		0		20-Feb-20	Action Completed
STCC	14-Jun-19	Special Review of a Vendor Issue 1 of 2: All college invoices should be sent directly to Accounts Payable by vendors. Accounts Payable should send a copy of the invoice to the appropriate department for approval.	Executive Director of Retention and Graduation	1-Jul-19		0	26-Nov-19		Action Completed
STCC	14-Jun-19	Special Review of a Vendor Issue 2 of 2: For Deaf connect invoices, a listing of all students receiving services from Deaf connect should be maintained in the Office of Student Disability Services. An employee independent of the maintenance of the listing should reconcile the invoices to the student listing prior to the approval of the invoices, to ensure the college is being properly billed on a timely basis.	Executive Director of Retention and Graduation	1-Jul-19		0	26-Nov-19		Action Completed
WSCC	15-Jul-19	A formal written review and verification process should be established and followed to help ensure that Workforce Training contact hours are correctly identified and properly interpreted for reporting purposes. However, rather than create a new Executive Aide employee position to facilitate the recording of contact hours, the review and approval process was expanded to include oversight from the new position of VP for Distance Education.	Dean of Workforce Training	16-Dec-19	30-Jun-20	3	16-Dec-19	28-Jul-20	Action Completed

		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
ChSCC	9-Aug-17	Human Resources 1 of 10: Written procedures detailing each department staff member's job duties and to outline guidance of how the college will comply with ChSCC and TBR policies should be completed.	Executive Director Human Resources	31-Dec-17	31-Dec-19	4	29-Jan-18	30-Jul-20	In Progress
ChSCC	11-Jun-18	NACHA The Background Check Policy revisions should be updated and approved by the Policy Review Board.	Executive Director Human Resources	31-Dec-18	31-Dec-20	3	8-Oct-18	30-Jul-20	In Progress
ChSCC	31-Jan-19	ChSCC policy 06:78:00 should be evaluated by management for exception language and/or a procedure developed for the types of generally occurring overtime and compensatory time situations including but not limited to special events and on-call employees. All campus supervisors should be informed of the changes to the policy and the approved procedures.	Executive Director Human Resources	30-Jun-19	31-Jul-20	3	25-Apr-19	30-Jul-20	In Progress
ChSCC	25-Jun-19	Conflict of Interest 2 of 2: Human Resources should develop a process to collect all required conflict of interest forms annually in January.	Executive Director Human Resources	31-Jan-20		0	31-Jul-19	30-Jul-20	In Progress
ChSCC	24-Oct-19	NACHA 1 of 3: Completion of a Background Check Policy including proper approvals from the Policy Review Board.	Executive Vice President Human Resources	30-May-20	31-Dec-20	1	29-Jan-20	30-Jul-20	In Progress
ChSCC	31-Jan-20	TCAT Salon and Spa Client Services and Inventory 3 of 3: Inventory and Equipment listings should be verified by Program Instructors at the end of each semester and reviewed by the Department Head.	Executive Vice President - Technical College	31-Aug-20			29-Apr-20	30-Jul-20	In Progress
ChSCC	6-Feb-20	Faculty Credentials 3 of 3: An electronic handbook detailing how to document compliance with credentialing standards should be developed by the Dean of Academic Assessment, Accreditation, and Compliance and provided to all academic divisions for use during the hiring of faculty and changes in faculty status.	Dean, Academic Assessment, Accreditation, and Compliance	31-Dec-20			29-Jul-20		In Progress
CoSCC	12-Mar-18	As cited throughout Federal Regulations, an organization's third party's actions on the organization's behalf are, to a significant extent the organization's responsibility. The college should establish a third party risk management program, designate who will coordinate the program, and review processes for selecting, training, and managing third party servicers in order to ensure the GLBA safeguards are established, and the college's third party servicers' risks are identified and managed.	Associate Vice President for Business Services Vice President for Information Technology	29-Jun-18		0	14-Aug-18	24-Jul-20	In Progress
CoSCC	28-Nov-18	College leadership and departmental management can strengthen the college control environment through improvements to processes that Ensure workforce development objectives are tied to and directed by the college's mission and strategic plan, Ensure college policies are current and reflect the existing operating environment and expectations, Support employee competency and accountability with job descriptions specific to the employee's role, and Ensure all employees complete orientation, receive job specific training, and are fully aware of policies that specifically impact the employee's job responsibilities. **Internal Audit Review of Management's Actions - In Progress**	Vice President, Williamson Campus and External Affairs Director, Economic and Workforce Development	30-Apr-19		0	1-Mar-19	24-Jul-20	In Progress

| | | **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**
CoSCC	28-Nov-18	Economic and Workforce Development management could strengthen departmental control activities by Improving and documenting course standards, Documenting data entry standards for client and course data, Enhancing data integrity reviews, Improving contract monitoring, Enhancing record maintenance, security, and disposal, and Increasing non-credit course software functionality. **Internal Audit Review of Management's Actions - In Progress**	Director, Economic and Workforce Development	31-Jan-19		0	1-Mar-19	24-Jul-20	In Progress
CoSCC	22-Jul-19	Update College policy, procedures, and practices to address non-faculty employee conflicts of interest, and ensure conflict of interest review committees have an appropriate level of membership and defined roles and responsibilities.	Vice President, for Financial and Administrative Services	31-Dec-19			17-Sep-19	24-Jul-20	In Progress
CoSCC	22-Jul-19	Improve transparency and open communication, strengthen the college culture and governance structure, and enhance the control environment and college-wide competency and accountability by: •Maintaining updated policies that reflect college strategic objectives, leadership expectations, and current best practice •Establishing process documentation •Formally assigning roles and responsibilities •Training responsible employees on policy responsibilities and expectations •Establishing monitoring and accountability controls that improve timeliness and effectiveness **Internal Audit Review of Management's Actions - In Progress**	President	31-Aug-19			22-Oct-19	24-Jul-20	In Progress
DSCC	29-Feb-20	All Foundation Board members should review the Policy on the Code of Ethics annually and should sign the related Code of Ethics Agreement. These signed agreements should be kept on file in the Institutional Advancement office of DSCC. *Follow-up note:* Management has taken action on ethics agreements. Official follow-up audit has not been completed at this time.	Vice President for Finance and Administrative Services, Executive Secretary for Institutional Advancement. President of DSCC	31-Jul-20		0			In Progress
DSCC	29-Feb-20	More documented policies and procedures need to be developed specifically for the Foundation and those policies need to be collectively listed in the Dyersburg State Community College Foundation Board Orientation Manual. *Follow-up note:* Policies and procedures have been updated. Best practices have been developed and implemented. Official follow-up audit has not been completed at this time.	Vice President for Finance and Administrative Services, Executive Secretary for Institutional Advancement. President of DSCC	31-Jul-20		0			In Progress
JSCC	30-Oct-15	JSCC-IAR-Access and Diversity Recommendation 1 0f 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	12-Jun-18	1	24-Apr-17	12-Dec-19	In Progress

		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
JSCC	30-Oct-15	JSCC-IAR-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	12-Jun-18	1	24-Apr-17	12-Dec-19	In Progress
JSCC	30-Oct-15	JSCC-IAR- 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	12-Jun-18	1	24-Apr-17	12-Dec-19	In Progress
JSCC	30-Oct-15	JSCC-IAR-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	12-Jun-18	1	24-Apr-17	12-Dec-19	In Progress
JSCC	15-Nov-16	JSCC-IAR-Payroll -Recommendation 1 of 1: Equity salary increases and reclassifications were reviewed by management and verbally approved at the institution prior to submission to the Tennessee Board of Regents. However, there was no formal institutional approval including signatures and dates for equity salary increases and reclassifications. An appropriate approval process including documentation should be in place for equity salary increases and reclassifications.	Payroll Supervisor and Director of Human Resources	15-May-17		0		20-Mar-20	In Progress
MSCC	4-May-18	MSCC should maintain documentation of TBR approval, when required, for changes in MSCC policy.	Executive Vice President of Academic Affairs and Student Success, Assistant Vice President for Academic Affairs	4-Nov-18	15-May-20	5	19-Dec-18	30-Jun-20	In Progress
MSCC	21-May-18	Human Resources should ensure that the reason recorded for termination of an employee is accurate and matches the appropriate termination definition.	Executive Director of Human Resources	21-Nov-18	15-May-20	5	19-Sep-19	30-Jun-20	In Progress
MSCC	21-May-18	The Admissions policy should be updated and revised to match current practice.	Executive Vice President of Academic Affairs and Student Success, Assistant Vice President of Student Success	21-Nov-18	15-May-20	5	19-Sep-19	30-Jun-20	In Progress
MSCC	29-Jun-18	Access and diversity scholarships should only be awarded to individuals that meet the stated criteria developed by Motlow State Community College and approved by the Tennessee Board of Regents Office of Organizational Effectiveness and Strategic Initiatives. Written procedures should be developed regarding the process of selecting access and diversity scholarship awardees, and sufficient documentation must be maintained to support the selection of the awardees by the committee based on the	Executive Vice President of Academic Affairs and Student Success, Dean of Students	24-Dec-18	15-May-20	5	2-Oct-19	30-Jun-20	In Progress

		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
MSCC	29-Jun-18	It is recommended that Motlow State Community College develop procedures requiring documentation and approval of Faculty/Staff Recruitment and Retention expenditures by the Access and Diversity Committee. At the time of issuance of the report, the Access and Diversity Committee has developed and is in the process of finalizing procedures for awarding funds for Faculty/Staff Recruitment and Retention.	Executive Director of Human Resources	24-Dec-18	15-May-20	5	2-Oct-19	30-Jun-20	In Progress
NaSCC	8/2/2019	Form a Conflicts of Interest Committee to receive, review, and issue a recommendation to management for disclosed conflicts of interest.	Director of Human Resources	31-Jan-20	30-Sep-20	0	6-Feb-20	21-Jul-20	In Progress
NaSCC	4/30/2020	The Foundation should ensure that all board members review and acknowledge the Code of Ethics annually	Executive Director of Foundation	30-Jun-20	31-Aug-20	0	30-Jun-20	21-Jul-20	In Progress
NaSCC	4/30/2020	The Foundation should develop policies and procedures to ensure compliance with donor intent and conditions	Executive Director of Foundation	1-Jun-20	31-Aug-20	0	1-Jun-20	21-Jul-20	In Progress
NaSCC	4/30/2020	The Foundation should develop policies and procedures in regard to disclosure of gift records	Executive Director of Foundation	1-Jun-20	31-Aug-20	0	1-Jun-20	21-Jul-20	In Progress
NaSCC	4/30/2020	The Foundation should develop policies and procedures on procurement and contracting activities	Executive Director of Foundation	1-Jun-20	31-Aug-20	0	1-Jun-20	21-Jul-20	In Progress
NaSCC	8/2/2019	Begin collecting positive confirmation from all employees of the existence or non-existence of a potential conflict of interest.	Director of Human Resources	31-Jan-20	30-Sep-20	0	6-Feb-20	21-Jul-20	In Progress
NeSCC	28-Sep-18	Management should consider modifying the structure of the IRB to best meet the needs of the College. Management should also consider developing IRB membership guidelines and requirements.	President, Research, Analytics, and Planning staff	30-Sep-19	30-Jun-20	2	26-Sep-19	16-Mar-20	In Progress
NeSCC	28-Sep-18	Management should consider modifying the structure of the IRB to best meet the needs of the College. Management should also consider developing IRB membership guidelines and requirements.	President, Research, Analytics, and Planning staff	30-Sep-19	30-Jun-20	2	26-Sep-19	16-Mar-20	In Progress
NeSCC	31-Dec-19	Management should review Great Grand Master key assignments to ensure that an employee's assigned duties require this level of access. Management should also consider developing and documenting criteria for the issuance of GGM keys.	Plant Operations and Maintenance Director	31-Dec-20					In Progress
RSCC	30-Apr-20	Review job responsibilities of the faculty member who manages the 2 theaters and determine appropriate release time for his theater management in the summer semester.	Vice President, Student Learning; Dean, Humanities Division	30-Sep-20			31-Jul-20	31-Jul-20	In Progress
RSCC	30-Apr-20	Review contracts, job descriptions and responsibilities of the Clinical Coordinators to determine whether each position should be a 9, 10, or 12 month position.	Vice President, Student Learning; Dean, Health Sciences Division	31-Dec-20			31-Jul-20	31-Jul-20	In Progress
RSCC	30-Apr-20	Review positions of Clinical Coordinators and determine an objective method of calculating workload.	Vice President, Student Learning; Dean, Health Sciences Division	31-Dec-21			31-Jul-20	31-Jul-20	In Progress

		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
RSCC	30-Apr-20	Ensure all full-time faculty are assigned at least 15 calculated workload hours per semester with the exception of teaching more in the fall to have calculated workload adjusted downward in the spring semester by the fall overload. Additionally, 12 month faculty should be assigned 15 calculated workload hours during the summer.	Vice President, Student Learning; Deans	31-Dec-20			31-Jul-20	31-Jul-20	In Progress
RSCC	26-Feb-20	Foundation - Completion of missing COI forms for board members	Foundation Executive Director; Foundation Coordinator	30-Jun-20			30-Mar-20	31-Jul-20	In Progress
RSCC	26-Feb-20	Foundation - Review information requested on COI forms	Foundation Executive Director; Foundation Coordinator	30-Jun-20			30-Mar-20	31-Jul-20	In Progress
RSCC	26-Feb-20	Foundation - Review Records Retention Policy and delete records not maintained at the Foundation	Foundation Executive Director; Foundation Coordinator	30-Jun-20			30-Mar-20	31-Jul-20	In Progress
STCC	26-Mar-19	Follow-up to Information Security Audit 1 of 6: Enhance the existing set of Information Security Program polices and procedures to address the data ownership and data classification functions.	Chief Information Officer	30-Jun-19	15-Sept-20	2			In Progress
STCC	26-Mar-19	Follow-up to Information Security Audit 4 of 6: Complete the implementation of the protocol that will help restrict the implementation of unauthorized products on the network.	Chief Information Officer	30-Apr-19	15-Sept-20	2			In Progress
STCC	26-Mar-19	Workforce Development 1 of 1: Based on the errors found in the sample of data elements reported TBR, and subsequently to THEC, for the 2017-2018 academic year, Internal Audit recommends that internal controls and review procedures be improved to ensure correct data is collected and included on the THEC Economic and Work Force Development Contact Hours report.	Associate Vice President of CE Administration	17-Sep-19		0			In Progress
STCC	26-Mar-19	Follow-up to Information Security Audit 2 of 6: Complete the implementation of the plan for the performance of network penetration and vulnerability analysis tests.	Chief Information Officer	30-Aug-19	15-Sept-20	1			In Progress
STCC	26-Mar-19	Follow-up to Information Security Audit 3 of 6: Improve information security access procedures and practices.	Chief Information Officer	30-Sep-19	15-Sept-20	1			In Progress
STCC	26-Mar-19	Follow-up to Information Security Audit 5 of 6: Document in a Logging and Monitoring Procedures the types of information sought, how it will be reviewed and what types of follow-up actions can occur; then implement the means to obtain the desired records for daily review.	Chief Information Officer	30-Aug-19	15-Sept-20	2			In Progress
STCC	26-Mar-19	Follow-up to Information Security Audit 6 of 6: Correct actions from prior IT related audits.	Chief Information Officer	31-Dec-19	15-Sept-20	2			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
STCC	29-Apr-19	Conflict of Interest 1 of 2: Management should establish a review committee comprised of no fewer than three persons to review and evaluate disclosures generated under Sections VII and VIII of TBR Policy 1:02:03:10, Conflict of Interest.	Director of Equity and Compliance	30-Jun-19		0			In Progress
STCC	29-Apr-19	Conflict of Interest 2 of 2: Management should establish a training and awareness process that informs and periodically reminds employees of the disclosures requirements for conflicts of interest.	Director of Equity and Compliance	30-Sep-19	15-Sept-20	2			In Progress
STCC	5-Aug-19	A written set of internal controls and procedures should be created to ensure cash collected on a quarterly basis follows generally accepted accounting principles.	Director of Finance	30-Jun-20	15-Sept-20	1			In Progress
STCC	30-Oct-19	Time Card Preparation 1. All exempt employees should approve their timecards the last day of each month. Payroll should run the Pay Period closed report for exempt employees showing who did not approve their timecards Employees and their supervisor should be notified and given a date to comply	Vice-President of Finance	30-Dec-19	15-Sept-20	1			In Progress
STCC	30-Oct-19	Time Card Preparation 2. All non-exempt employees should approve their timecards at an assigned time. Supervisor should also approve the timecards at an assigned time. Payroll should print the Pay Period Closed report showing who did not approve their timecards and whether errors were detected on the timecards.	Vice-President of Finance	30-Dec-19	15-Sept-20	2			In Progress
STCC	30-Oct-19	Time Card Preparation 3. The Finance Department should provide formal training to all employees prior to the activation of any new procedure for these recommendations.	Vice-President of Finance	28-Feb-20	15-Sept-20	2			In Progress
WSCC	15-Jul-19	The initial recommendation was to work with Xenegrade to correct problems in their systems, and procure additional "Re-Training" for the Workforce Training staff. However, since Xenegrade was unable to transition to a totally new interface in 2020, WSCC created and issued an RFP to find an alternative software package. Campus CE's proposal met the criteria; however, due to continuing concerns about the COVID-19 virus and its negative impact on WSCC's Fall 2020 enrollment, a purchase decision was postponed until at least October 2020. In the meantime, WSCC will seek to have Xenegrade create a customized Insight report for WSCC that will improve data collection and reporting.	Dean of Workforce Training	16-Dec-19	30-Oct-20	3	16-Dec-19	28-Jul-20	In Progress
JSCC	20-Sep-18	JSCC-INV18-03-Club Account Review Recommendation 1 of 3: Guidelines for fundraising events including cash management procedures should be developed and included in the JSCC Student Life Handbook. Guidelines may also include an approval process and any restrictions or limitations (e.g. raffles).	Director of Student Activities	30-Mar-19		0			No Progress
JSCC	20-Sep-18	JSCC-INV18-03-Club Account Review Recommendation 2 of 3: Training should be provided periodically and the JSCC Student Life Handbook should be distributed to club advisors and club officers. Increased communication between student activities and the club advisors could be beneficial and provide benefits to the student clubs.	Director of Student Activities	30-Mar-19		0			No Progress

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

		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
JSCC	20-Sep-18	JSCC-INV18-03-Club Account Review Recommendation 3 of 3: The JSCC Student Life Handbook should be reviewed annually and updated (if needed).	Director of Student Activities	30-Mar-19		0			No Progress
JSCC	29-Mar-19	JSCC-IAR-WFD - Recommendation 1 of 2: For the sample of courses reviewed, the headcount total was overstated by 10 which resulted in an overstatement of 168 contact hours. Headcount and contact hours should be reported according to the instructions for the TBR Workforce Training Contact Hours report.	Dean of Business and Industry/Director of Workforce Development	30-Sep-19		0			No Progress
JSCC	29-Mar-19	JSCC-IAR-WFD- Recommendation 2 of 2: There were four courses in the sample that would lead to a certification that were not reported in the TBR Workforce Training Contact Hours report. Certifications should be reported according to the instructions for the TBR Workforce Training Contact Hours report.	Dean of Business and Industry/Director of Workforce Development	30-Sep-19		0			No Progress
JSCC	31-May-19	JSCC-IAR-Conflict of Interest- Recommendation 1 of 3: Management should review the conflict of interest disclosures according to TBR and JSCC policies and procedures.	College President	31-Dec-19		0			No Progress
JSCC	31-May-19	JSCC-IAR-Conflict of Interest- Recommendation 2 of 3: The conflict of interest committee structure and meeting schedule should agree with current TBR and JSCC policies and procedures.	College President	31-Dec-19		0			No Progress
JSCC	31-May-19	JSCC-IAR-Conflict of Interest -Recommendation 3 of 3: The conflict of Interest committee members should be notified of their role and responsibilities on committee.	College President	31-Dec-19		0			No Progress
JSCC	16-Jul-19	JSCC -INV19-01-Timekeeping - Recommendation 1 of 3: Supervisors and employees should be trained on time sheet procedures.	Director of Athletics and Director of Human Resources	17-Jan-20		0			No Progress
JSCC	16-Jul-19	JSCC- INV19-01-Timekeeping - Recommendation 2 of 3: Processes should be reviewed to ensure that new hire paperwork and time sheets are completed correctly and periodic training should be provided to supervisors and employees.	Director of Athletics and Director of Human Resources	17-Jan-20		0			No Progress
JSCC	16-Jul-19	JSCC-INV19-01-Timekeeping - Recommendation 3 of 3: The hiring process and subsequent periodic training for supervisors and employees should provide an explanation of contract terms. Supervisors should ensure that employees abide by the contract terms.	Director of Athletics and Director of Human Resources	17-Jan-20		0			No Progress
MSCC	4-May-18	All supervisory staff should receive training regarding State of Tennessee, TBR, and MSCC policies regarding the approval and processing of outside employment for all institutional staff.	Executive Director of Human Resources	4-Nov-18	15-May-20	4	19-Dec-18	30-Jun-20	No Progress
ClSCC	11-Apr-19	Management should develop a means to identify each individual course.	Assistant Vice President	30-Aug-19		0			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
JSCC	17-Feb-20	JSCC-IAR-Foundation -Recommendation 1 of 2: The Foundation has developed some policies and procedures, however; the foundation should ensure that adequate policies and procedures exist for the Foundation operations as required by TBR Policy 4.01.07.02, *Foundations* . All policies should be approved by the Foundation Board.	Vice President of Institutional Effectiveness & Advancement /Director of Community Development & Foundation	31-Aug-20		0			Not Yet Due
JSCC	17-Feb-20	JSCC-IAR-Foundation- Recommendation 2 of 2: Foundation management should create an annual budget and advise the foundation of its needs and priorities for the upcoming year. The budget should be approved by the Foundation Board.	Vice President of Institutional Effectiveness & Advancement /Director of Community Development & Foundation	31-Aug-20		0			Not Yet Due
MSCC	12-Apr-19	The recommendation from the previous audit report is repeated. It is recommended that Motlow State Community College improve internal controls over maintaining workforce development documentation to sufficiently support training contact hours reported in the THEC Workforce Training Contact Hours report to THEC/TBR.	Chief Learning Officer, Executive Director of Workforce Development	30-Sep-19	30-Sep-20	2			Not Yet Due
MSCC	12-Apr-19	It is recommended that Motlow State Community College establish a formal review and verification process over training data for inclusion in the THEC Workforce Training Contact Hours report prior to submission to THEC/TBR.	Chief Learning Officer, Executive Director of Workforce Development	30-Sep-19	30-Sep-20	2			Not Yet Due
MSCC	14-Feb-20	It is recommended that Motlow State Community College develop and document Motlow College Foundation Board of Trustee approval of policies and procedures to include as required by TBR Policy 4:01:07:02, *Foundations* : Solicitation and Acceptance of Contributions, Management and Investment of Contributions to the Foundation, Procurement, Contracting, Code of Ethics, Foundation Release of Information. It is also recommended that the following policies be developed and approved: Conflict of Interest, Scholarships, and Fundraising	Chief Financial Officer, Executive Director of the Foundation	31-Dec-20					Not Yet Due
MSCC	14-Feb-20	Signed ethics statements by the Motlow College Foundation Board of Trustees were not available for fiscal year 2019. All signed ethics statements were obtained for fiscal year 2020 by the time of report issuance. It is recommended that foundation staff ensure that signed ethics statements are reviewed and acknowledged by every member of the Motlow College Foundation Board of Trustees annually per TBR Policy 4:01:07:02, *Foundations* requirements. It is also recommended that a process be developed for clearly documenting all required disclosures regarding potential conflicts of interest.	Chief Financial Officer, Executive Director of the Foundation	1-Jul-20					Not Yet Due

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

		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
NaSCC	6/24/2020	Management should take corrective actions to mitigate security risk.	Vice President of Finance and Administrative Services, Associate Vice President of Accounting and Finance, Executive Director of Operations, and Director of Safety and Security	31-Oct-20		0			Not Yet Due
NeSCC	31-Dec-19	Management should review Great Grand Master key assignments to ensure that an employee's assigned duties require this level of access. Management should also consider developing and documenting criteria for the issuance of GGM keys.	Plant Operations and Maintenance Director	31-Dec-20					Not Yet Due
NeSCC	30-Apr-20	Management should ensure that future contracts between the Foundation and independent public accountants for the audit of financial records have the required approvals prior to execution of the contract.	Chief Advancement Officer, Coordinator of Advancement Activities	30-Apr-21					Not Yet Due
NeSCC	30-Apr-20	Management should ensure that future contracts between the Foundation and independent public accountants for the audit of financial records have the required approvals prior to execution of the contract.	Chief Advancement Officer, Coordinator of Advancement Activities	30-Apr-21					Not Yet Due
VSCC	13-Mar-20	The Foundation trustees should complete Code of Ethics Acknowledgement forms annually.	Foundation	15-Sep-20					Not Yet Due
VSCC	13-Mar-20	College funds should not be transferred to the Foundation for scholarship awards.	Business and Finance	15-Sep-20					Not Yet Due

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
ChSCC	12-Apr-16	Chattanooga State Community College did not provide adequate internal controls in one area. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Details will be provided to the Board during Audit Committee Executive Session.	Vice President of Technology	3-Oct-16	30-Jun-21	6	14-Jul-17	29-Jul-20	In Progress
ClSCC	6-Apr-15	Cleveland State Community College did not provide adequate internal controls in one area. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Details will be provided to the Board during Audit Committee Executive Session.	Chief Information Officer	1-Dec-15	30-Jun-19	5	14-Jul-17	30-Jun-20	In Progress
ClSCC	29-Jun-18	Cleveland State Community College did not provide adequate internal controls in seven areas. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Details will be provided to the Board during Audit Committee Executive Session. Three of seven areas have been corrected.	Chief Information Officer	30-Nov-18	1-Jul-21	1	4-Feb-19	30-Jun-20	In Progress
CoSCC	5-Feb-19	Columbia State Community College did not provide adequate internal controls in ten areas. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Details will be provided to the Board during Audit Committee Executive Session.	Associate VP for IT	31-Aug-19		0	17-Oct-19	28-Jul-20	In Progress
JSCC	8-Sep-14	Jackson State Community College did not provide adequate internal controls in one area. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Details will be provided to the Board during Audit Committee Executive Session.	Chief Information Officer	31-Mar-15	3-Feb-20	5	14-Jul-17	9-Jul-20	In Progress
JSCC	29-Jun-18	Jackson State Community College did not provide adequate internal controls in eight areas. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Details will be provided to the Board during Audit Committee Executive Session. Seven areas have been corrected.	Chief Information Officer	30-Nov-18	3-Feb-20	1	18-Jan-19	9-Jul-20	In Progress
MSCC	15-Apr-16	Motlow State Community College did not provide adequate internal controls in one area. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Details will be provided to the Board during Audit Committee Executive Session.	Chief Information Officer	14-Oct-16	31-Dec-18	3	14-Jul-17	31-Mar-20	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
NaSCC	15-Aug-16	Nashville State Community College did not provide adequate internal controls in one area. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated.* Details will be provided to the Board during Audit Committee Executive Session.	Chief Information Officer	28-Apr-17	31-Dec-18	2	14-Jul-17	1-Feb-19	In Progress
NeSCC	17-Feb-17	Northeast State Community College did not provide adequate internal controls in twelve areas. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated.* Details will be provided to the Board during Audit Committee Executive Session. Eight of twelve areas have been corrected.	Chief Information Officer	15-Aug-17	31-Jan-21	6	18-Sep-17	30-Jul-20	In Progress
PSCC	3-Sep-14	Pellissippi State Community College did not provide adequate internal controls in one area. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated.* Details will be provided to the Board during Audit Committee Executive Session.	Chief Information Officer	31-Mar-15	31-Dec-20	6	14-Jul-17	30-Oct-19	In Progress
RSCC	17-Apr-15	Roane State Community College did not provide adequate internal controls in one area. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated.* Details will be provided to the Board during Audit Committee Executive Session.	Chief Information Officer	31-Jul-15	31-Dec-20	8	14-Jul-17	31-Jul-20	In Progress
RSCC	13-Apr-18	Roane State Community College did not provide adequate internal controls in eight areas. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated.* Details will be provided to the Board during Audit Committee Executive Session. Seven areas have been corrected.	Chief Information Officer	12-Oct-18	30-Sep-20	3	12-Feb-19	31-Jul-20	In Progress
VSCC	13-May-16	Volunteer State Community College did not provide adequate internal controls in two areas. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated.* Details will be provided to the Board during Audit Committee Executive Session. One area has been corrected.	Chief Information Officer	30-Nov-16	31-Dec-20	4	14-Jul-17	6-Feb-20	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**
PSCC	14-Feb-20	Pellissippi State Community College did not provide adequate internal controls in one area. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated.* Details will be provided to the Board during Audit Committee Executive Session.	Chief Information Officer and Vice President of Business and Finance	30-Sep-20					Not Yet Due
PSCC	19-Jun-20	Pellissippi State Community College did not provide adequate internal controls in one area. Ineffective internal controls increases the likelihood of errors, data loss, and unauthorized access to college information. The details of this finding are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated.* Details will be provided to the Board during Audit Committee Executive Session.	Chief Information Officer	31-Dec-20					Not Yet Due

BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Audit Reports and Reviews

DATE: September 1, 2020

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S
RECOMMENDATION: Accept Report

Miscellaneous Reviews
The Audit Committee will review executive summaries for the miscellaneous reviews issued from April 1, 2020 to June 30, 2020.

    Jackson State Community College
        – Tennessee Small Business Development Center- Financial Review

    Roane State Community College
        – Tennessee Department of Labor and Workforce Development
          (Division of Occupational Safety and Health)

Internal Audit
The Audit Committee will receive executive summaries for the internal audit reports issued from April 1, 2020 to June 30, 2020 as well as reports issued after June 30, 2020, which contain information considered to be time-sensitive for the Audit Committee's consideration*. 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 Reports for Informational Purposes- Financial Management

Internal Audit Reports for Informational Purposes- Instruction & Academic Support

Internal Audit Reports for Informational Purposes- Institutional Support

Internal Audit Reports for Informational Purposes- Student Services

Internal Audit Reports for Informational Purposes- Follow-ups

* A Limited Official Use Only report for Columbia State Community College- Follow-up to the LOU State Audit Report for FY 18 and 17 was received on June 18, 2020; Motlow State Community College- Follow-up to the LOU State Audit Report for FY 18 and 17 was received on April 16, 2020; Nashville State Community College- Safety and Security LOU Report was received on June 24, 2020; and Pellissippi State Community College- LOU PS2 File Server Vulnerability Assessment was received on June 23, 2020. These reports will be shared in the Audit Committee Executive Session.

**Tennessee Board of Regents
Audit Committee
September 1, 2020**

Miscellaneous Reviews

Jackson State Community College
Tennessee Small Business Development Center Financial Review
Period Coverage: January 1, 2018 – December 31, 2018
December 16, 2019
Executive Summary

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 October 2, 2018 by the Financial Reporting and Accounting Manager.
Conclusion	Based upon our limited testing of the data available, 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.
Findings/ Recommendations	None

Roane State Community College
Tennessee Department of Labor and Workforce Development
Tennessee Occupational Safety and Health Administration
January 3, 2019
Executive Summary

Introduction	On February 13, 2020, our compliance officer conducted a monitoring visit of your site to evaluate and discuss the status of your occupational safety and health program. The following locations were inspected during the visit: Roane State Community College
Conclusion	During the visit, three violations of the TOSHA standards were observed in the areas inspected. These violations do not imply that the program is ineffective; however, they are an indication of a program deficiency in some aspect of your safety and health program. **Violation 1 Item 1** Type of Violation: **Serious** 29 CFR 1910.157(c)(1): Portable fire extinguishers were not mounted, located and identified so that they were readily accessible without subjecting the employees to injuries: On 2/13/20, the employer had not ensured that all of the portable fire extinguisher locations were accessible as a fire extinguisher in the maintenance shop was blocked by various plumbing supplies and a cart. **Violation 1 Item 2** Type of Violation: **Serious** 29 CFR 1910.305(b)(1)(ii): Unused openings in boxes, cabinets, or fittings were not effectively closed: On 2/13/20, the electrical panel in the maintenance shop had unused openings which exposed employees to live electrical parts. **Violation 1 Item 3** Type of Violation: **Serious** 29 CFR 1910.1200(f)(6)(ii): Except as provided in 29CFR1910.1200(f)(7) and 29CFR1910.1200(f)(8), the employer did not ensure that each container of hazardous chemicals in the workplace was labeled, tagged or marked with the product identifier and words, pictures, symbols, or combination thereof, which provides at least general information regarding the hazards of the chemicals and which, in conjunction with the other information immediately available to employees under the hazard communication program, would provide employees with the specific information regarding the physical and health hazards of the hazardous chemical. On 2/13/20, the employer had not labeled a pump sprayer containing a hazardous chemical with the product contents or with information (i.e. pictograms or other acceptable workplace label) regarding the hazards associated with the substance. The sprayer was only labeled as poison.

Tennessee Board of Regents
Audit Committee
September 1, 2020

Internal Audit Reports
Financial Management

Cleveland State Community College
NACHA Web Audit
April 14, 2020
Executive Summary

Key Staff Personnel	Director of Information Technology and Bursar	Internal Auditor	Alvin Bishop

Background	National Automated Clearing House Association (NACHA) is a not-for-profit association that oversees the Automated Clearing House (ACH) Network, an electronic payment network. NACHA provides the legal foundation for the ACH Network through the development and enforcement of the *NACHA Operating Rules & Guidelines,* which establish a set of requirements in order to provide a minimum amount of protection for WEB entries. WEB entries are internet-initiated entries that NACHA defines as "a debit entry to a Consumer Account initiated by an Originator pursuant to an authorization that is obtained from the Receiver via internet."
	
	 NACHA Operating Rules & Guidelines obligate Originators to:
	 • Obtain the consumers' written authorization prior to initiating a debit entry
	 • Mitigate risks associated with internet-based payments by:
	     o Authenticating the identity of the Receiver
	     o Employing a fraudulent transaction detection system
	     o Establishing secure internet sessions
	     o Verifying the Receiving Depository Financial Institution's routing number
	     o Reviewing security control procedures		

Objectives	The objectives were to determine the College's compliance with *NACHA Operating Rules & Guidelines* for WEB entries related to: • Authorization of payments • Formatting requirements • Risk management requirements to adequately protect Consumer financial information		
Conclusion	Cleveland State Community College complies with NACHA Operating Rules requirements for authorization, formatting, and risk management.		

Northeast State Community College
Grants and Contracts Billing Review
Fiscal Year 2019
June 30, 2020
Executive Summary

Key Staff Personnel	Grants Manager; Vice President for Finance and Information Technology	Internal Auditor	Christopher Hyder
Introduction	Northeast State Community College, its programs, and its students benefit from external funding sources through participation in grants and contracts. Through an application process, external entities award financial resources to further the mission of the college. Grants and contracts are typically funded through a reimbursement process known as billing. These billings must meet the grant's objective criteria and budget requirements determined in the application and award stages of the grant. The Grants Manager is responsible for preparing the invoices and supporting documentation submitted to the grantors for reimbursement.		
Objectives	The objectives of the audit were to determine if grants and contract billing adhere to the criteria and requirements of the grants and contracts including adequate supporting documentation.		
Scope	This audit included the fiscal year 2019 billings for three grants. The entire billings for the 2019 Tennessee Promise Summer Bridge Grant and the 2019 Adult Education Critical Needs Grant were reviewed. The fourth quarter billings of 2019 Perkins IV were also reviewed.		
Conclusion	It appears that Northeast State Community College's grants and contract billing process is appropriately managed and exhibits proper internal controls. The audit did not reveal matters warranting audit findings or observations.		
Recommendations	None		

Southwest Tennessee Community College
Cash Count
June 30, 2020
Executive Summary

Key Staff Personnel	Director of Cashiers	Internal Auditor	Charlotte Johnson, Director of Internal Auditor
Introduction	A Cash Count was 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 $8,676 and eleven change funds ranging from $40.50 to $312.00.		
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 balance for the period June 30, 2020, for the Macon Campus Safe that has funds totaling $6,586.00, for Southwest Tennessee Community College.		
Results	Petty Cash for Southwest Tennessee Community Colleges largest petty cash fund was reviewed. The cash count resulted in funds totaling $6,585.00. There was a shortage of $1.00.		
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. A written set of Internal controls and procedures have been created to ensure cash collected on a quarterly basis follows generally accepted accounting principles.		

Tennessee Colleges of Applied Technology-Harriman
Audit of President's Expenses – Page 1 of 2
For the Period July 1, 2018 – June 30, 2019
June 11, 2020
Executive Summary

President	Mrs. Danice Turpin	Internal Auditor	Helen Vose, TCAT Internal Auditor
Objectives	To comply with Tennessee Code Annotated, Title 49, Chapter 7, by performing an internal financial audit of the Office of the President for the fiscal year ended June 30, 2019; to determine compliance with institutional and Tennessee Board of Regents policies regarding expenses; to identify and report all expenses incurred by, at the direction of, or for the benefit of the President regardless of the funding source; and to search for and report any expenses not disclosed on expense schedules prepared by the institution.		
Scope	The audit scope included all accounts under the direct budgetary control of the President and expenses funded by institutional funds, foundations, or vendors and any expenses made by, at the direction of, or for the benefit of the President during the fiscal year. The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing,* issued by the Institute of Internal Auditors and accordingly included tests of the accounting records and such other auditing procedures considered necessary.		
Questioned Costs	None	Recoveries	N/A
Analysis	The following is a summary of (1) certain expenses made by, at the direction of, or for the benefit of the President, and (2) salaries, benefits and other operating expenses for the President's office during the fiscal year ended June 30, 2019:		

	TCAT	Foundation	Vendor	Total
President (1):				
Salary	$113,376	-	-	$113,376
Benefits	$83,629			83,629
Travel	$4,697	-	-	$4,697
Business Meals & Hospitality	$1,188	-	-	$1,188
Other	-	-	-	-
Office (2):				
Salaries & Benefits	$293,263	-	-	$293,263
Travel	$7,390			$7,390
Other Operating	$42,557	-	-	$42,557
Total Expenses	$546,100	-	-	$546,100

In addition, the following were provided to the President during the year. Use of the expense allowance was not included in tests performed during the audit because each of the presidents elected for the allowance to be paid as taxable income. Any personal use value of the vehicle is reported to the President as taxable income.

Expense Allowance	$2,000
Housing Allowance	$3,000
Vehicle Allowance	$8,400

Conclusion	The audit of the President's Expenses for the Tennessee Colleges of Applied Technology-Harriman for the period July 1, 2018 through June 30, 2019, revealed no significant deficiencies in internal controls, no large or unusual expenditures, and they were in compliance with TBR purchasing policies and regulations.

Tennessee Board of Regents
Audit Committee
September 1, 2020

Internal Audit Reports
Instruction & Academic Support

Motlow State Community College
Off-Campus International Education Programs
August 1, 2014 – July 31, 2015
June 30, 2020
Executive Summary

Key Staff	Director of International Education	Auditor	Tammy Wiseman, Internal Auditor
Introduction	The Tennessee Board of Regents System (TBR) supports off-campus international educational programs or courses as a valid and valuable part of undergraduate and graduate education. The TBR encourages all TBR institutions to engage in international opportunities that meet the legitimate academic needs of their students and in cooperation with consortia both internal to the TBR system in which TBR institutions hold membership and those external to the system. The TBR recognizes that such programs or courses take a variety of forms in length and focus.		
Objectives	The audit objectives were to conduct a comprehensive review of the Off-campus International Education Programs across the TBR system, assess compliance with TBR and MSCC policies pertaining to off-campus international education programs, assess the adequacy of financial management; ensure costs were monitored and controlled, assess the adequacy of internal controls, and summarize relevant data.		
Scope	Off-Campus International Education Programs undertaken by MSCC from August 1, 2014, through July 31, 2015. For presentation purposes, Exhibit 1- Schedule of International Fee Revenue is presented for the period July 1, 2014 through June 30, 2015.		
Audit Conclusion	Based on audit tests performed for the period August 1, 2014, through July 31, 2015, adequate controls are in place to ensure that MSCC's Off-Campus International Education Programs are managed appropriately and used as planned to meet MSCC's off-campus international education goals. The audit tests performed reflected sound financial management practices and that costs were monitored, controlled, and appropriate for the associated off-campus international education program.		

Program Type	Academic Credit Programs	Non-Academic Credit Programs	Total Programs
TnCIS Sponsored Programs	11	0	11

Pellissippi State Community College
Faculty Credentials
Fall Semester 2019
May 18, 2020
Executive Summary

Key Staff Personnel	L. Anthony Wise, President & Kathryn Byrd, Interim Vice President of Academic Affairs	Internal Auditor	Suzanne L. Walker, Director of Internal Audit
Introduction	The audit of faculty credentials was requested by the president of the College. This audit is an annual audit requested by the president to ensure that all full- and part-time faculty hired by the College each fall meet the requirements of the College's accrediting agency. Additionally, the ability to hire qualified faculty continues to be an area of concern as documented in the College's risk assessment for instruction and academic support.		
Objectives	To determine whether the requirements necessary for compliance with Southern Association of Colleges and Schools (SACS) criteria were being met; to determine whether the documentation maintained by the College was sufficient to document compliance with the criteria; and to recommend improvements, if any are necessary.		
Conclusion	The College needs to continue to make improvement in documenting that faculty hired to teach are qualified. After discussions with the President, as well as with the Interim Vice President of Academic Affairs, it appears that management understands the problem and has been making every effort to prevent it from occurring in the future. The Interim Vice President is to be commended for her efforts to ensure that the college hires only qualified faculty and that documentation provided is sufficient to satisfy the requirements of the SACS accreditation standards.		
Recommendations	There were no formal audit recommendations related to this audit.		

Key Staff Personnel	Diane Ward, Vice President Student Learning	**Internal Auditor**	Cynthia Cortesio, Director of Internal Audit
Introduction	Internal Audit conducted a consulting review of the workload/release time for full-time and post-retirement faculty during the school years of 2016-2017, 2017-2018 and 2018-2019 (through spring semester). This review was performed at the request of Dr. Diane Ward, Vice President for Student Learning. It was desired that the Internal Audit consulting review would provide viable recommendations for process improvements and assist in movement toward a more uniform distribution of workload/release time across the divisions and disciplines. The consulting review request was made due to concerns over potentially inequitable assignment of workload/release time. Since workload (which includes release time where applicable) directly relates to compensation for full-time faculty when overload exists, it is vitally important that this calculation is done equitably. Workload also validates that full-time faculty have been assigned full-time duties whether in the classroom or in other areas of support for the college.		
Objectives	The objectives of this Consultation were: - To review application of release time. - To review calculation of workload. - To ensure full-time faculty were assigned full-time workloads.		
Scope	This consulting review was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and accordingly included such procedures as considered necessary in the circumstances. The consulting review covered the workload and release time as assigned to full-time faculty members during the 2016-2017, 2017-2018, and 2018-2019 (through Spring semester) school years. This review did not include an assessment of overload payments made to faculty members for work assigned during the fall, spring and summer semesters.		
Conclusion	Roane State Community College endeavors to compensate its faculty fairly for their contribution to the success of the college. Workload is utilized to ensure full-time faculty members are assigned a full-time workload as well as calculate any overload payments due to faculty. Since workload calculation affects faculty members' compensation, it is imperative to have an approved, consistent methodology which reflects the faculty member's contribution to the college within Tennessee Board of Regents and Roane State's policies and guidelines.		

Recommendations	- Continue the practice of awarding release time to encourage faculty to assume leadership roles within the college as well as participate in other areas of support of the college. - Review the job responsibilities of the faculty member who manages the 2 theaters. He should be given release time for his theater management in the summer semester as has been done in the other semesters. - Review the contracts, job descriptions and responsibilities of the Clinical Coordinators in the Health Sciences Division to determine whether each position should be a 9, 10, or 12-month position. - Review the positions of the Clinical Coordinators in the Health Sciences Division. An objective method of calculating workload should be developed based on management's review. - Internal Audit recognizes the practice of allowing full-time faculty to be assigned greater than 15 calculated workload hours in the fall semester and bank those hours to be used in the spring semester to bring a total of at least 30 calculated workload hours for the school year. RSCC should ensure that this minimum is met as well as a minimum of 15 calculated workload hours in the summer semester for 12-month faculty.
Management Response	- We concur that Roane State continue awarding release time as warranted for faculty member's efforts to support their faculty position beyond the normal expectations of his/her faculty role. - We concur that release time should be given to the 12-month faculty member for his efforts in the part-time theater management position. - We concur that the Clinical Coordinator positions should be studied, and a determination made, per discipline, whether these positions should be a 9 month, a 10 month, or a 12-month faculty position. These designations would become part of the job description for anyone hired in the future into these positions. - We concur that Clinical Coordinator positions should be studied and given a standard amount of faculty release time for their efforts in placing students in clinical education. This release time would then be used in calculating full workload for that individual faculty member. Expected first steps for this methodology would be fall 2021. We also concur with the recommendation of discontinuing the use of the rubric developed by the previous dean. - We concur that full-time faculty members should have 15 calculated workload hours each semester with the exception of times faculty members are allowed to teach extra hours in the fall semester to have their required spring calculated workload hours reduced. We also concur that in the case of 12-month faculty members 15 calculated workload hours will be required through the summer term as well.

Tennessee Board of Regents
Audit Committee
September 1, 2020

Internal Audit Reports
Institutional Support

Key Staff Personnel	Preston Turner, Director of Physical Plant	**Internal Auditor**	Chrystal Pittman, Interim Director of Internal Audit Angie Brown, Internal Auditor
Introduction	In March 2016, the Tennessee Board of Regents (TBR) formed a Campus Safety and Security Task Force that was designed to be proactive in maintaining campus safety throughout the system. The Task Force recommended $8,983,770 to fund the initiative however, TBR schools were awarded $3,950,000 in appropriations for the project. Of the $3,950,000, $1,950,000 was awarded to a University and the remaining $2,000,000 would be allocated to various institutions. The total amount allocated to Community Colleges after funds were prorated totaled $812,820. Jackson State Community College's annual appropriation amount was $42,780 totaling $128,340 over the three-year period. The Taskforce identified several safety related priorities but focused on priority one, which required that *"All classroom and lecture hall doors must be securable from within; replace locks, and doors, if necessary."* Jackson State and other Community College's began security upgrades in FYE2018 in accordance with the TBR Tasks force recommendations. As of FYE2020, many of the upgrades are complete as detailed in this report.		
Objectives	The objectives were to determine if funds were expended as intended by the Tennessee Board of Regents Campus Safety and Security Task Force recommendations and make recommendations for future security enhancements.		
Scope	The review was conducted in accordance with *the International Standards for the Professional Practice of Internal Auditing,* issue by The Institute of Internal Auditors. The review included test of records and other procedures necessary to determine compliance with TBR Guidance. The audit period covered fiscal years 2018-2020.		
Conclusion	During the audit, it was determined that one classroom at the Savannah Center had not been upgraded with a handle lockable from within. This issue has been discussed with management and they plan to resolve the issue immediately. The College has made securing classrooms a priority and upgrades have been completed according to guidance provided by the Tennessee Board of Regents (TBR).		

Results	All classroom and lecture hall doors were upgraded to include either the button or lever type (flush mount release) lock from the inside of the room at the main JSCC campus and Centers. All building entrances have been replaced except 10 sets of interior doors and 2 sets of maintenance/emergency doors with handle type panic hardware. These doors are located inside stairwells and hallways. JSCC's share of the state appropriation, based on the task force recommendation, totaled $42,780 per year for three years or a total of $128,340. Sole source vendor(s) were used during fy2018 and fy2019. The project was bid in fy2020. The College was unable to meet the December 31, 2019 deadline to spend the funds due to various factors related to surveying of campus doors, the contract bid process and other issues. Institutional funding was used in FY2019 to fund campus security upgrade expenditures in excess of the TBR allocation. While the College has addressed much of priority one of the TBR Campus Safety and Security Task Force recommendations, they have outlined a plan for the remaining upgrades needed to replace older type "panic bars" and locks during FY20-21. The College completed a risk assessment identifying areas of future upgrade based on accessed risk.

Motlow State Community College
Safety and Security Audit
June 29, 2020
Executive Summary

Auditee	Chief Financial Officer, Director of Facilities Services, Director of Public Safety	Auditor	Tammy Wiseman, Internal Auditor
Objectives	The objectives of the audit engagement focused on ascertaining whether Motlow State Community College expended the campus safety and security allotment as intended, review guidelines established for fund disbursement, and make recommendations for future security enhancements.		
Scope	The audit period covers fiscal years 2017-2018, 2018-2019, and 2019-2020. Due to the current closure and restriction of access to the MSCC campuses, a supplemental audit is planned in fiscal year 2020-2021 to conduct a physical inspection. The review was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* issued by The Institute of Internal Auditors. The review included tests of the records and other procedures considered necessary to achieve the audit objectives.		
Conclusion	Motlow State Community College expended the campus safety and security allotment as intended and utilized existing State of Tennessee contracts to perform the work. The institution has identified needs for future security enhancements. There were no issues identified in this audit.		

Key Staff Personnel	Vice President of Finance and Administrative Services, Associate Vice President of Accounting and Finance, Executive Director of Operations, and Director of Safety and Security	**Internal Auditor**	Henry Ho, CPA, CGFM
Introduction	The Tennessee Board of Regents (TBR) created a Campus Safety and Security Task Force in March 2016 to review campus safety across the system, identify areas of greatest need, and make recommendations for improvement. The task force made the following recommendations in regard to campus grounds and facilities: • All classroom and lecture hall doors must be lockable from within. Institutions will need to assess locking hardware, doors and doorframes. • Each institution should replace older, handle-type panic bars on exterior doors with flush mount releases to prevent chaining of doors, as occurred at Virginia Tech. • Each institution should consider establishing a procedure by which all classroom doors are left in the locked position at all times. If faculty opt to teach with classroom doors ajar, the doors can be left in the locked position and closed quickly at the first notice of a threat. • Each campus, with the assistance of the system Safety and Security Department, should perform threat assessments for all buildings and grounds using Crime Prevention Through Environmental Design (CPTED) strategies, to include building hardware, lighting, cameras and landscaping. In response to the task force's recommendations, the General Assembly appropriated $3,950,000 to TBR to make upgrades to secure facilities for campuses across the system. TBR allocated to Nashville State Community College $85,560 each year from fiscal year 2018 through fiscal year 2020, for a total of $256,680.		

Objectives	The objectives of our audit were to: • determine if campus safety and security upgrades funds were expended as intended by legislation; • review guidelines established for fund disbursement; and • make recommendations for future security enhancements.
Scope	We have audited Nashville State Community College physical security and campus safety for the period July 1, 2017, through June 30, 2020. We conducted our audit in accordance with the *International Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors. The audit included tests of controls and other procedures considered necessary to achieve the audit objectives.
Conclusion	The College did not spend the safety and security upgrade funds by the December 31, 2019 deadline. Although the College has not completed any upgrades funded by the safety and security upgrade funds, the College has issued purchase orders to commit the funds on safety and security projects intended by legislation. Auditor also noted deficiencies in physical security measures that increases the security risks at the College campus. Management should take corrective action to address the security risks.
Observations and Recommendations	**Observation 1 – Due to a deficiency in physical security measures, there is an increased security risk at the College campus** During our visit at the College campus, we noted a security concern involving protecting the safety of students, faculty, staff, and visitors. The details of this observation are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Additionally, pursuant to Standard 6.68 of the U.S. Government Accountability Office's *Government Auditing Standards*, certain information was omitted from this report because that information was deemed to present potential risks related to public safety, security, or the disclosure of private or confidential data. We provided management with detailed information regarding the specific conditions we identified, as well as the related criteria, causes, and our specific recommendations for improvement.

Cont. Observations and Recommendations	**Observation 2 – The College did not spend the safety and security upgrade funds by the December 31, 2019 deadline, but has issued purchase orders to commit $245,349 of the $256,680 allocated to the College**
	Although the College has not completed any upgrades funded by the safety and security upgrade funds, the College has issued purchase orders to commit the funds on safety and security projects intended by legislation. Auditor plans to conduct a follow-up audit during fiscal year 2021 to review the completeness of the projects and to determine if the College expends the funds as intended by legislation.
	Observation 3 – Due to a deficiency in physical security measures, there is an increased security risk at the College campus
	During our visit at the College campus, we noted a security concern involving protecting the safety of students, faculty, staff, and visitors. The details of this observation are confidential pursuant to Section 10-7-504(i), *Tennessee Code Annotated*. Additionally, pursuant to Standard 6.68 of the U.S. Government Accountability Office's *Government Auditing Standards*, certain information was omitted from this report because that information was deemed to present potential risks related to public safety, security, or the disclosure of private or confidential data. We provided management with detailed information regarding the specific conditions we identified, as well as the related criteria, causes, and our specific recommendations for improvement.
Management Response	**Observation 1 –** We concur with the observation and recommendation. Management has delivered a full confidential response outlining the action steps to be taken. The target correction date is October 31, 2020.

Pellissippi State Community College
Campus Security Allocation
Fiscal Years 18, 19, and 20
June 29, 2020
Executive Summary

Key Staff Personnel	Ron Kesterson, Vice President of Business and Finance	**Internal Auditor**	Suzanne L. Walker, Director of Internal Audit
Introduction	In March 2016, then Acting Tennessee Board of Regents Chancellor David Gregory created the Campus Safety and Security Task Force to be proactive in maintaining campus safety across the Tennessee Board of Regents System. Based on a TBR administered Faculty and Staff Campus Safety Climate survey, the Task Force determined three of the most beneficial safety measures to consider related to locking mechanisms on classroom and building doors (TBR Safety & Security Task Force, 2016). The Tennessee State Building Commission allocated a total of $5,950,000 for fiscal years ended June 30, 2018 and 2019. Pellissippi State received an allocation totaling $256,680 for fiscal years ended June 30, 2018; June 30, 2019; and June 30, 2020.		
Objectives	The objectives of the internal audit engagement focused on ascertaining whether the College expended the campus safety and security allotment as intended by legislation and whether access and classroom doors meet the security requirements outlined by the Campus Security Task Force.		
Scope	The auditor applied tests of controls to the allotment expenditures that occurred for the period July 1, 2017 through June 30, 2020.		
Conclusion	The audit did not disclose any material weaknesses that would require inclusion in the audit report. A couple of minor areas of concern were discussed with college personnel.		

Walters State Community College
Campus Security Upgrades
June 15, 2020
Executive Summary

Key Staff Personnel	Vice President for Business Affairs, Director of Fiscal Affairs, Draftsman / Maintenance employee	**Internal Auditor**	Mark A. Ortlieb, CPA
Objectives	One objective of this engagement is to gain an understanding of the risk assessment process that identifies and prioritizes areas of door security. Another objective is verification of door security remediation: 1. Replacing older handle-type "panic bars" on exterior doors with flush-mount releases and 2. Upgrading classroom and office doors with locks that can be left in the locked position at all times. A final objective addresses the institution's establishment and communication of implementation procedures: 1. All classroom doors are left in the locked position at all times. If faculty opt to teach with classroom doors ajar, the doors can be left in the locked position and closed quickly at the first notice of a threat.		
Scope	The scope of this engagement is limited to door security on the Morristown campus of Walters State Community College and included verification of the WSCC Safety and Security completion report (SBC #166/023-01-2016). TBR's total appropriations to WSCC of $128,340 were spent and classified as ADA and Mechanical Updates. Specific entryways of the College Center Building were identified and all of that building's exterior doors were physically examined for remediation. Classroom and office doors were found to have been upgraded with locks that can be left in the locked position at all times. Classroom and office doors with clear glass were found to have had an opaque laminate applied to obscure/hide the occupants within.		
Findings	No findings arose from this Internal Audit engagement.		
Conclusion	The audit did not disclose any material weaknesses that would require inclusion in the audit report. A minor area of concern was discussed with college personnel that would formalize the existing policy for classroom door security.		

Tennessee Board of Regents
Audit Committee
September 1, 2020

Internal Audit Reports
Student Services

Motlow State Community College
Dashboard Access Consulting Engagement
May 8, 2020
Executive Summary

Responsible Persons	Executive Director of Financial Aid, Chief Information Officer	Auditor	Tammy Wiseman, Internal Auditor
Objectives	The objectives of the consulting engagement were to provide a review of the purpose for which the dashboard was created compared to current users with access and Motlow State Community College's responsibility to ensure security of information in accordance with regulations and best practices when granting and maintaining user access.		
Scope	The review covered the Admissions and Financial Aid Dashboard. The review was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing,* issued by The Institute of Internal Auditors. The review included tests of the records and other procedures considered necessary to achieve the review objectives.		
Conclusion	Stronger internal controls are recommended in approving, documenting, and tracking access to the Financial Aid and Admissions Dashboard. MSCC must ensure that policies and procedures are developed and implemented applying best practices to limit access to only those individuals with an educational need to know based on the principle of least privilege.		
Issues Identified	During the review, issues were identified that could create increased opportunities for information security violations. 1. Lack of procedures and documentation of formal approval by the data custodians for employee access to the Dashboard 2. Lack of procedures and documentation to ensure access is removed timely when an employee terminates or transfers positions 3. Instances of terminated employees with access 4. Lack of justification for access based on job description/duties 5. Lack of periodic review and approval of access		

Tennessee Board of Regents
Audit Committee
September 1, 2020

Internal Audit Reports
Follow-ups

Columbia State Community College
Follow-up to the State Audit Report
FYE June 30, 2018 and 2017
June 17, 2020
Executive Summary

Key Staff Personnel	Dr. Roderick Johnson, Director, Financial Aid Denise Holman, Coordinator, Financial Aid Adam Robertson, Director, Student Engagement & Student Services Dr. Emily Siciensky, Associate Vice President, Information Technology	**Internal Auditor**	Erica Smith, CPA
Introduction	The Comptroller of the Treasury, Division of State Audit issued a financial and compliance audit of Columbia State Community College for the fiscal years ended June 30, 2018 and June 30, 2017, on January 13, 2020. The report entitled *Independent Auditor's Report on Internal Control Over Financial Statements and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*, included three audit findings identified as a significant deficiency in internal control.		
Objectives	The objectives of the internal audit engagement focused on ascertaining the internal controls implemented by management to address the State Audit Findings and assessing whether those controls were in place and functioning at the time of review.		
Scope	The auditor applied tests of controls to processes occurring between July 1, 2019 and May 31, 2020.		
Conclusion	The engagement outcomes reflect management has taken agreed upon actions, except for the independent review of return to title IV calculations.		
Recommendations	The financial aid director should implement an independent review of return to title IV calculations to ensure accurate calculation and return of title IV funds.		

Dyersburg State Community College
Follow-Up on Faculty Sick Leave Reporting
May 29, 2020
Executive Summary

Key Staff Personnel	Vice President for the College	Internal Auditor	DSCC Director of Internal Audit
Introduction	Dyersburg State Community College Internal Audit Department performed an audit of faculty sick leave time and leave reporting in April 2019. The college had recently partially implemented Banner Web Time Reporting at that time for the submission of leave time taken to the Payroll department. Previously, a spreadsheet and written leave reports were prepared by individuals in each department and forwarded to the departmental coordinators and to the Payroll department for processing. One observation and recommendation was listed as part of the audit performed in April 2019. This current audit is a follow-up audit on the previous recommendation. The current status of the recommendation has been reviewed and is presented in the Results of the Current Audit section at the end of the audit report.		
Objectives	The objectives of this review were to determine whether adequate corrective actions have been taken to address the audit observations, implement the audit recommendations and mitigate the risks that errors or fraud could occur and not be detected in a timely manner.		
Conclusion	Based on the results of tests and procedures performed, management has taken adequate actions to address the audit observation, implement the audit recommendations and mitigate the risks that errors or fraud could occur and not be detected in a timely manner. No further action is required at this time.		
Recommendations	Observation 1: The procedures for tracking and reporting faculty absences have not been implemented consistently throughout the various departments and disciplines at DSCC. Industry "Best Practices" are not consistently followed for training and reporting purposes. This could result in improper compensation and inaccurate leave record keeping. Recommendation 1: A list of industry "Best Practices" is provided and should be implemented consistently by all applicable Vice President's, Deans, and Departmental Coordinators. More effort to train these procedures to faculty members should be made. Current Status "Best Practices" are now being followed as recommended and Banner Web Time Entry is now used for all leave reporting forms. No further action is needed at this time.		

Key Staff Personnel	Director of Environmental Health & Safety	Internal Auditor	Chrystal Pittman
Introduction	The Director of Internal Audit issued a report in October 2014 to evaluate the effectiveness of the Emergency Management Plan as well as its compliance with TBR Guideline B-100. The report included two recommendations.		
Objective	To determine if management implemented adequate corrective actions to address recommendations noted in the internal audit of the Emergency Management Plan.		
Scope	Internal audit conducted previous follow ups in May 2017 and January 2019. The current review covered January 2019 - March 2020.		
Conclusion	Based on tests performed for the period under review, management has resolved the recommendations noted in the audit report.		
Recommendations	**Recommendation 1:** 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. Designated safety coordinators should be trained in the proper usage of safety equipment and procedures and training should be updated periodically. Employees should be aware of the trained safety coordinators for their building. **Current Status:** Onsite Training Various onsite training sessions were conducted including CERT/Chair lift and AED sessions for the period under review. Additional training was scheduled but later cancelled due to COVID-19. Drills Various campus drills were conducted for the period under review. Online Occupational Hazard Safety Training Management implemented Vivid Learning Systems online software to train employees that were determined to need occupational hazard training based on their role with the College. Relevant employees began training in 2019.		

Cont. Recommendations	**Recommendation 2:** According to TBR Guideline B-100 section III.17, the Emergency Management Plan should be reviewed and updated on an annual basis. The last revision was July 01, 2011. The names and contact information for the safety coordinators and the location for emergency first aid should be updated along with reviewing the plan in general for updates and revisions. Campus signage including shelter locations and evacuation routes should also be reviewed and updated annually. **Current Status:** Emergency Management Plan The Emergency Management Plan was revised as of July 25, 2019. A printed copy of the plan was provided to all full-time employees. The plan was also posted on the JSCC website and JWEB (Intranet). Campus Signage Campus Signage was reviewed and appeared to be adequate.

Motlow State Community College
Follow-Up to the State Audit Report
For the Fiscal Years Ended June 30, 2017, and June 30, 2018
April 16, 2020
Executive Summary

Auditee	Chief Financial Officer, Comptroller	Auditor	Tammy Wiseman, Internal Auditor
Introduction	The Tennessee Comptroller of the Treasury, Division of State Audit, issued a financial and compliance audit of Motlow State Community College for the fiscal years ended June 30, 2017, and June 30, 2018, on September 24, 2019. The report entitled, *Financial and Compliance Audit Report*, included one audit finding identified as a significant deficiency in internal control. The current status of the finding is presented in the Results of the Current Audit section below.		
Objectives	The objectives of the follow-up review were to determine whether adequate corrective actions have been taken to address the audit finding, implement the audit recommendation and mitigate the risks that errors or fraud could occur and not be detected in a timely manner.		
Results of the Current Audit	Current Status of State Audit Finding Motlow State Community College did not provide adequate internal controls in one area. Status: Management has taken adequate corrective action to address the audit finding. Additional monitoring procedures are being implemented to ensure segregation of duties.		
Audit Conclusion	Based on the results of tests and procedures performed, management has taken adequate corrective actions to address the audit recommendation. Management has a plan to continue to mitigate the risks through ongoing monitoring.		

Southwest Tennessee Community College
Internal Audit
Follow Up to Conflict of Interest Fiscal Year 2019
May 8, 2020
Executive Summary

Key Staff Person: Pamela Saavedra, Associate Director of Equity and Compliance	**Auditor:** Charlotte Johnson, Internal Auditor
Introduction	Internal Audit for Southwest Tennessee Community College issued a *Review of Conflict of Interest Fiscal Year 2019* for the period July 1, 2018 through April 28, 2019, on April 29, 2019. The report included two recommendations.
Objectives	The objective of the review was to determine whether adequate corrective actions have been taken to address the audit recommendations.
Scope	The follow-up audit included a review of the current status of actions taken by Southwest Tennessee Community College (STCC) management to correct deficiencies reported previously. The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* issued by The Institute of Internal Auditors. The audit included tests of the records and other procedures considered necessary to achieve the audit objective.
Prior Audit Recommendations	Recommendation 1: Management should establish a review committee comprised of no fewer than three people to review and evaluate disclosures generated under sections VII and VIII of *TBR Policy 1:02:03:10, Conflict of Interest*. Recommendation 2: Management should establish a training and awareness process that informs and periodically reminds employees of the disclosure requirements for conflicts of interest
Management's Response	We concur with these recommendations and will have a review committee in place by June 30, 2019 and will establish a training and awareness process that informs employees of the conflict of interest disclosures requirements by September 30, 2019.
Conclusion	Management established a review committee comprised of five people to review and evaluate disclosures in August 2019. Management provided training sessions in August 2019 and October 2019. Human Resources also issued emails concerning *TBR Policy 5:01:05:00 Outside Employment and Extra Compensation for Additional Assignments,* reminding employees who engage in outside employment to comply by completing required forms. Based on the results of tests and procedures performed, management has taken adequate action to address the audit recommendations and bring Southwest Tennessee Community College in compliance with sections VII and VIII of TBR Policy *1:02:03:10, Conflict of Interest*.
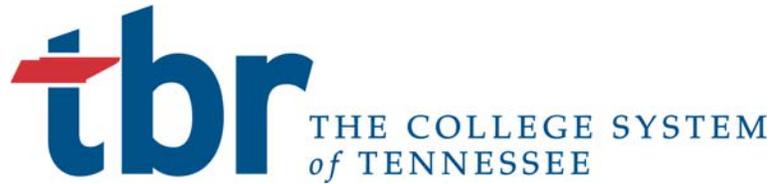
BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: System-wide Internal Audit Updates

DATE: September 1, 2020

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S
RECOMMENDATION: Accept Report

Mike Batson will give brief updates for the following items:

- Information Systems Auditor Search
- System-wide Internal Audit Training
    - Internal Audit October Conference Contract Amendment

BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Review of Fiscal Year 2021 Internal Audit Plans

DATE: September 1, 2020

PRESENTER: Mike Batson

ACTION REQUIRED: Roll Call Vote

STAFF'S
RECOMMENDATION: Approve

The committee will review and consider for approval internal audits planned for the system institutions for Fiscal Year 2021* 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 Major Functional Area
Planned Audits by Audit Type

*A FY2021 audit plan for Information Systems is not included due to a vacancy in the position. A FY2021 audit plan is not included for the TBR System Office due to the removal of the Director position at the system office.

Tennessee Board of Regents
Planned Audit Hours by Functional Area
Fiscal Year 2021
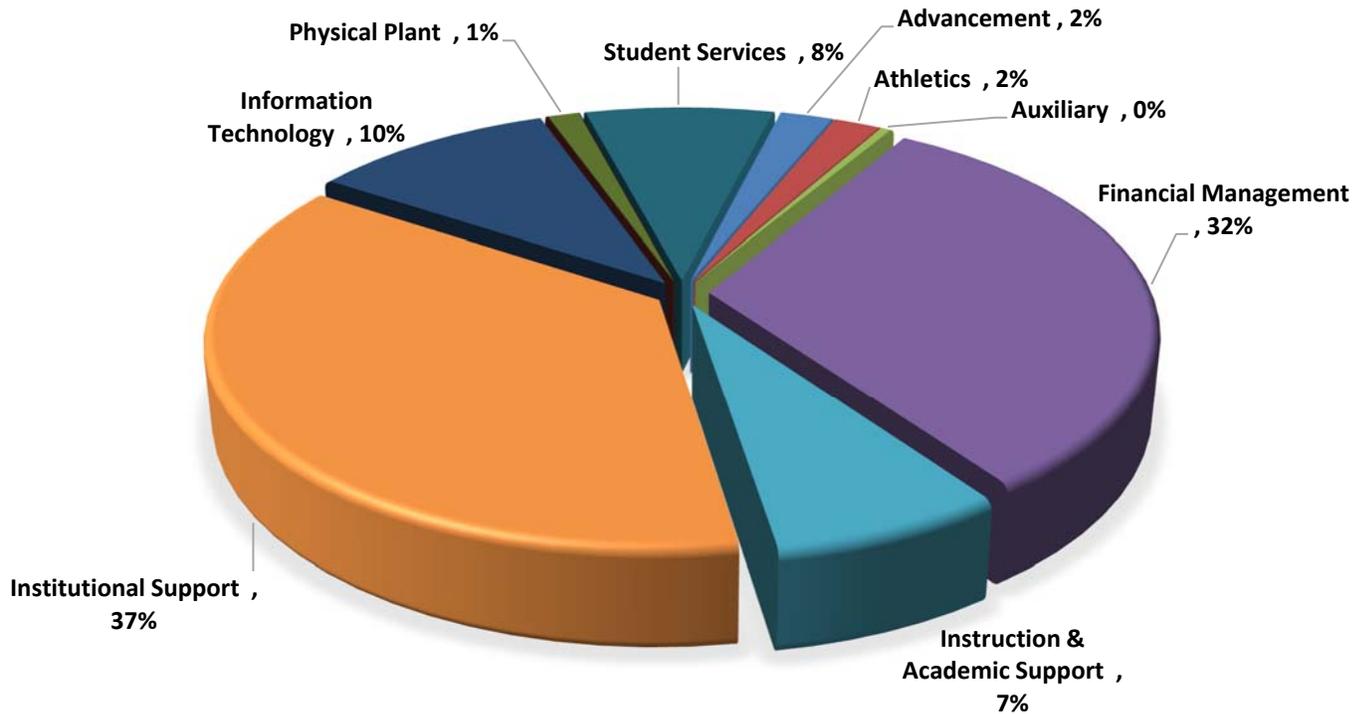
Highlights:

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 quality assurance reviews.

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 Hours**	
Community Colleges	208	84.55%	16.088	87.67%
SWIA	9	3.66%	1,050	5.72%
TCATS	29	11.79%	1212	6.61%
	246		18,350	

Note: There is a significant decrease in the percentage of Information Technology audits due to the vacancy of the Information Systems Auditor position at the SWIA office. This plan will be implemented once the position is filled and the new employee is acclimated.

Tennessee Board of Regents
Planned Audit Hours by Type
Fiscal Year 2021
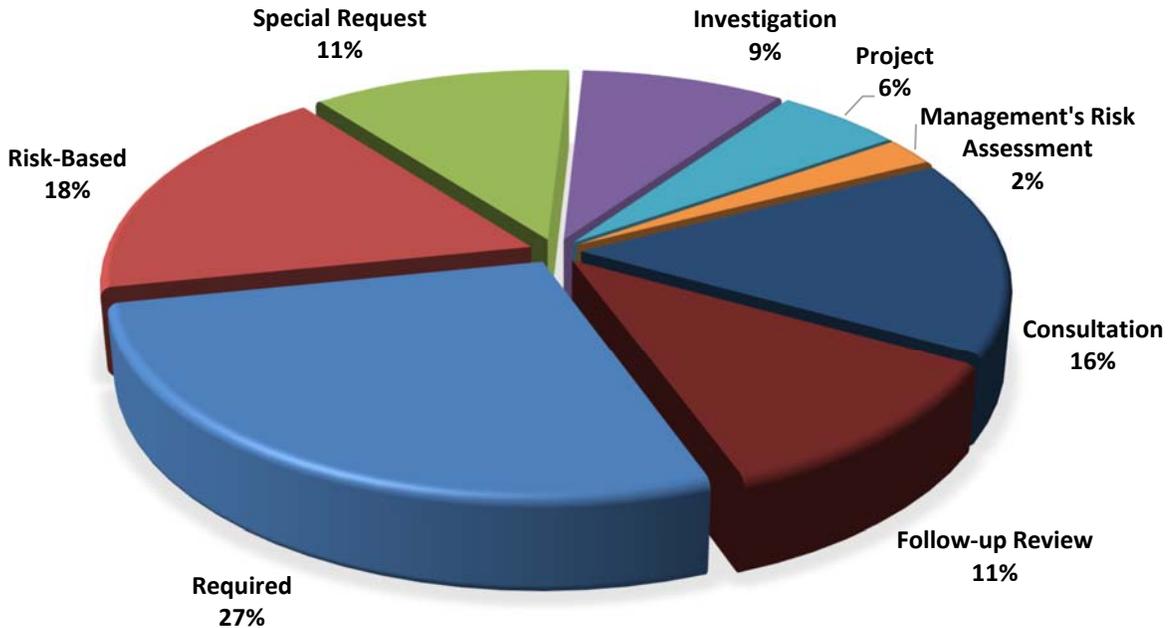
Highlights:

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. This year's required audits include Campus Safety and Security reviews and Workforce Development reviews. 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.

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 an increase in planned risk-based audits of 3% above the prior year plans due to the decrease in required audits.

Special Requests are audits requested by the Audit Committee, management, or others to address specific concerns or activities. This category is planned as 2% lower than the prior year.

Consultations have increased 3% from last fiscal year due to a decrease in required and follow-up audits.

Other categories are consistent with previous years.

Internal Audit Plans

By Institution

Fiscal Year Ending June 30, 2021

Chattanooga State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
5.0	Management Advisory Services	IS	C	120.0	Jul-20
5.0	State Audit Assist/Follow-up	FM	F	40.0	Jul-20
5.0	Follow up Reviews	IS	F	75.0	Jul-20
5.0	Unscheduled Investigations	IS	I	100.0	Jul-20
5.0	Developing Investigations-Assist TBR	IS	I	15.0	Jul-20
5.0	INV-2020-02	IS	I	60.0	Jan-20
5.0	INV-2020-03	IS	I	40.0	Apr-20
5.0	QAR Self Assessment	IS	P	60.0	Apr-21
5.0	YE Procedures FYE 2020	FM	S	10.0	Jun-21
5.0	YE Procedures FYE 2021	FM	S	15.0	Jun-20
5.0	Enterprise Risk Assessment	IS	M	35.0	Nov-20
5.0	Workforce Training Hours	SS	R	100.0	Jan-21
5.0	TCAT Auto Client Services	IA	S	40.0	Nov-19
5.0	Campus Safety	IS	R	40.0	May-20
5.0	Campus Safety Task Force Recommendations	IS	S	40.0	Jul-20
5.0	Faculty Credentials	IA	S	100.0	Oct-20
5.0	IAR-NACHA-2019	IT	S	60.0	Sep-20
3.4	Procurement Card Purchases	FM	A	100.0	Mar-21
			Total:	**1050.0**	

Estimated Available Hours For Audits = **1050.0**

Functional Areas:	Audit Types:
AD - Advancement	R - Required
AT - Athletics	A - Risk-Based (Assessed)
AX - Auxiliary	S - Special Request
FM - Financial Management	I - Investigation
IA - Instruction & Academic Support	P - Project (Ongoing or Recurring)
IS - Institutional Support	M - Management's Risk Assessment
IT - Information Technology	C - Consultation
MC - Marketing and Campus Activities	F - Follow-up Review
PP - Physical Plant	O - Other
RS - Research	
SS - Student Services	

Cleveland State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
5.0	Manger Advisory Services	IS	C	50.0	Jul-20
5.0	State Audit/\Assist Follow-up	IS	F	75.0	Jul-20
5.0	Unscheduled Investigations	IS	I	50.0	Jul-20
5.0	Follow-up Reviews	IS	F	75.0	Jul-20
5.0	YE Procedures FYE 2020	FM	S	10.0	Jun-21
5.0	NACHA 2021	FM	S	75.0	May-21
5.0	Enterprise Risk Assesment	IS	M	35.0	Nov-20
5.0	Work Force Training Hours	IA	R	120.0	Dec-20
5.0	CaresAct	FM	R	175.0	Mar-20
5.0	Preisdents Audit Columbia	FM	R	120.0	Aug-20
1T	Travel	FM	A	125.0	Oct-20
5.0	Campus Safety and Phyiscal Security	FM	R	15.0	Jul-20
1T	Technology Access Fee	FM	A	120.0	Jan-21
			Total:	**1045.0**	

Estimated Available Hours For Audits = **1050**

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

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

Columbia State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2020

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
5.0	State Audit Year End Work	FM	R	22.5	May-21
5.0	Campus Safety & Security	PP	R	37.5	Jul-20
5.0	President's Expense - ClSCC	FM	S	75.0	Oct-20
5.0	WF & CE THEC Reporting	IA	R	52.5	Sep-20
5.0	CARES Act Review	FM	R	150.0	Apr-21
5.0	Engagement Follow-up/Monitoring	IS	F	60.0	Aug-20
5.0	SWIA LOU Follow-up	IT	F	52.5	Jul-20
5.0	WF/CE IA Engagement Follow-up	IA	F	22.5	Jul-20
5.0	Financial Aid (3rd Party Risk Mgmt) IA Engagement FU	SS	F	22.5	Jul-20
5.0	Policy Review Engagement FU	IS	F	15.0	Jul-20
5.0	Foundation Engagement Follow-up	AD	F	7.5	Jul-20
5.0	Review Management's Risk Assessment	FM	M	22.5	Nov-20
3.5	Title IX Gender Equity Assessment	AT	C	75.0	Aug-20
	Informal Consulting	IS	C	75.0	Jul-19
	Data Analytics - QAIP	IS	P	202.5	Aug-20
	Awareness & Education	IS	P	105.0	Sep-20
	Quality Assurance Review - 3yr	IS	P	52.5	Jan-21
		Total:		**1050.0**	

Estimated Available Hours For Audits = **1050**

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

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

Dyersburg State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
	Physical Security/Campus Safety	PP	R	20.00	Jun-20
	Workforce Development Contact Hours	AD	R	38.00	Dec-20
	PII Review	IS	P	60.00	Sep-20
	General Consultation	IS	C	100.00	Jul-20
	Human Resources	IS	A	65.00	Sep-20
	Cash Handling	FM	A	45.00	Jun-20
	Athletics Eligibility	AT	A	25.00	Jun-20
	Athletic Camps, Clinics and Fundraising	AT	A	65.00	Dec-20
	Risk Assessment	IS	R	80.00	Oct-20
	Follow-up Audits	IS	R	100.00	Jul-20
	Records Mgmt and Retention	FM	A	95.00	Apr-21
	Unsceduled Investigations	IS	I	80.00	Jul-20
	QAR Self Assessment	IS	P	60.00	Nov-20
	CARES Act	SS	R	120.00	May-21
	Building Security and Key Audit	PP	R	110.00	Jun-21
	Year End Bank Confirmations	FM	R	30.00	Jun-21
			Total:	**1093.0**	

Estimated Available Hours For Audits = **1093.0**

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

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

Jackson State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
	Workforce Development	IA	R	150.0	November 2020
	Veterans Affairs Student Records	SS	S	125.0	January 2021
	CARES Act	IS	R	200.0	February 2021
	Access and Diversity Follow up	FM	F	125.0	September 2020
	Payroll Follow up	FM	F	100.0	In Progress
	Conflict of Interest Follow up	IS	F	125.0	March 2021
	Workforce Development Follow up	IA	F	75.0	November 2020
	Inv 18-03 Follow up	SS	F	140.0	August 2020
	Inv 19-01 Follow up	AT	F	140.0	July 2020
	Foundation Follow up	AD	F	140.0	April 2021
	Risk Assessment	IS	M	40.0	December 2020
	Year-end Procedures	FM	R	40.0	July 2020
	General Consultation	IS	C	150.0	As needed
	Unscheduled Investigations and Special Requests	IS	I	100.0	As needed
			Total:	**1650.0**	

Estimated Available Hours For Audits = **1650**

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

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

Motlow State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
5.0	Faculty Credentials	IA	A	100.0	Jul-20
5.0	Admissions & Records	SS	A	80.0	Mar-21
4.9	Compliance - Trainings and Disclosures	IS	A	80.0	Jan-21
	Follow Up Foundation	AD	F	40.0	Aug-20
	INV 20-03	AD	I	50.0	Jul-20
	Workforce Development and Follow Up	AD	R	80.0	Oct-20
	Follow Up INV 1604	AT	F	30.0	Jul-20
	Follow Up INV 1802	AT	F	30.0	Jul-20
	General Consultation	FM	C	50.0	Jul-20
	Data Analytics Project	FM	P	75.0	Mar-21
	CARES Funding	FM	R	125.0	Feb-21
	State Audit Assistance - Yr End	FM	R	20.0	Jul-20
	President's Expense Review (Special Request	FM	S	75.0	Sep-20
	Risk Assessment	IA	M	30.0	Nov-20
	Unscheduled Investigations	IS	I	50.0	Jul-20
	IIA Quality Assurance Self-Assessment	IS	P	20.0	Dec-20
	Information Technology - Follow Up	IT	A	20.0	Sep-20
	Security - Physical Observation - Supplemental	PP	R	75.0	Jan-21
	Follow Up INV 1801	SS	F	30.0	Jul-20
	Follow Up Access and Diversity #2	SS	F	40.0	Jul-20
	Follow Up Access and Diversity #3	SS	F	40.0	Feb-21
			Total:	**1140.0**	

Estimated Available Hours For Audits = **1140.0**

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

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

Nashville State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
4.3	Physical Security / Campus Safety Follow Up	IS	F	100.0	May-21
3.7	CARES Act	FM	R	112.5	Mar-21
3.7	Workforce Development	IA	R	112.5	Jan-21
3.6	State Audit Follow Up	FM	F	37.5	Jan-21
3.4	Police Department	IS	A	100.0	Feb-21
4.2	Disaster Recovery/Continuity of Operations Plan (COOP)	IS	A	75.0	Sep-20
3.4	Travel	FM	A	75.0	Aug-20
3.4	Purchase Card / Procurement	FM	A	112.5	Oct-20
3.3	Cash Collection	FM	A	100.0	Apr-21
3.4	Payroll/ Time and Leave	FM	A	75.0	Dec-20
3.0	Consulting Activities	IS	C	37.5	As needed
3.9	Personal Identifiable Information / Data Security	IT	A	112.5	Nov-20
			Total:	**1050.0**	

Estimated Available Hours For Audits = **1050**

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

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

Northeast State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
5.0	Workforce Development Training Hours	SS	R	75.0	Oct-20
5.0	CARES Act Funding Audit	FM	R	150.0	Mar-21
5.0	State Audit Follow-Up	FM	R	60.0	Nov-20
5.0	Campus Safety	IS	R	50.0	Apr-20
5.0	Gramm-Leach-Bliley Act Program	IS	S	100.0	Jul-20
5.0	QAR Self-Study	IS	C	75.0	Sep-20
5.0	Access Termination	IT	S	35.0	Oct-19
5.0	NorCard Procurement Cards	FM	A	75.0	Sep-20
5.0	Unscheduled Investigations	IS	I	100.0	Jul-20
5.0	State Audit Assistance - Year End	FM	R	30.0	Jun-21
5.0	Special Requests and Projects	IS	S	100.0	Jul-20
5.0	Other Audit Follow-Up	IS	F	50.0	Jul-20
5.0	Risk Assessment	IS	M	50.0	Oct-20
5.0	Management Advisory Services	IS	C	100.0	Jul-20
			Total:	**1050.0**	

Estimated Available Hours For Audits = **1050**

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

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

Pellissippi State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
5.0	Cares Act Funding	IS	R	200.0	Feb-21
5.0	Year End Inventory & Cash Counts	FM	R	15.0	Jul-20
5.0	Funding Formula - Workforce Development	IS	R	75.0	Oct-20
5.0	QAR Self Assessment	IS	R	75.0	Aug-20
5.0	State Audit Follow-Up	FM	F	15.0	Dec-20
5.0	Risk Assessment	IS	M	22.5	Oct-20
5.0	Faculty Credentials	IA	S	105.0	Nov-20
5.0	Review of Compliance Assist	IA	S	37.5	Mar-21
5.0	Vulnerability Assessment - Electronic Key System	IT	S	187.5	Oct-20
5.0	Advancement Management Advisory Services, Consultation, etc.	AD	C	52.5	Jul-20
5.0	Finance Management Advisory Services, Consultation, etc.	FM	C	37.5	Jul-20
5.0	Institutional Support Management Advisory Services, Consultation, etc. (includes Covid-19 MAS)	IS	C	445.0	Jul-20
5.0	Unscheduled Investigations and Special Requests	IS	I	30.0	Jul-20
5.0	IT Audit Management Advisory Service - Building Security Review	IT	C	52.5	Jul-20
5.0	IT Audit Management Advisory Service - General Security Review	IT	C	165.0	Jul-20
5.0	IT Audit Management Advisory Service - PCI & ACH Review	IT	C	150.0	Jul-20
3.6	Computer Center - Disaster Recovery	IT	A	112.5	Dec-20
3.5	Computer Center - Physical Security	IT	A	202.5	Jan-21
3.5	Vulnerability Assessment - Print Servers	IT	A	187.5	Aug-20
3.5	Vulnerability Assessment - BDMS (scanned documents from Finance, HR and Student)	IT	A	187.5	Mar-21
3.4	Vulnerability Assessment - PSDB (store degree works data and Luminis Information)	IT	A	187.5	Apr-21
			Total:	**2542.5**	

Estimated Available Hours For Audits = **2515.0**

Functional Areas:	**Audit Types:**
AD - Advancement	R - Required
AT - Athletics	A - Risk-Based (Assessed)
AX - Auxiliary	S - Special Request
FM - Financial Management	I - Investigation
IA - Instruction & Academic Support	P - Project (Ongoing or Recurring)
IS - Institutional Support	M - Management's Risk Assessment
IT - Information Technology	C - Consultation
MC - Marketing and Campus Activities	F - Follow-up Review
PP - Physical Plant	O - Other
RS - Research	
SS - Student Services	

Roane State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
	Workforce Development	SS	R	75.0	Jul-20
	Year End Cash Counts	FM	R	45.0	Jul-20
	International Education	IA	A	60.0	Oct-20
	Enterprise Risk Assessment	IS	M	52.5	Nov-20
	Grants	FM	A	75.0	Dec-20
	Healthcare Programs Admissions	IA	S	105.0	Oct-20
	CARES Act	FM	R	75.0	Feb-20
	Sick Leave Bank	IS	A	22.5	Mar-20
	State Audit Follow-up	FM	F	52.5	Jul-20
	IAR Audit Follow-up	FM	F	70.0	Jul-20
	Unscheduled Investigations	FM	I	90.0	Jul-20
	Management Advisory Services	IS	C	142.5	Jul-20
	Foundation - Restricted Funds	AX	S	80.0	Jul-20
	President's Expense - PSTCC	FM	R	60.0	Aug-20
	QAR - Self-Review	IS	R	22.5	May-20
	Campus Safety & Security	IS	R	22.5	Jul-20
			Total:	**1050.0**	

Estimated Available Hours For Audits = **1050.0**

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

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

Southwest Tennessee Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
	IAR-Cash Count	FM	A	37.5	Jun-20
	Out of State Tuition	SS	S	97.5	Jul-20
	FU-Foundation Audit	IS	R	22.5	Sep-20
	Review of Accounts Payable Vendors	FM	S	97.5	Aug-19
	FU-Time Sheet Preparation	FM	S	22.5	Oct-20
	Campus Safety Audit	IS	R	97.5	Jul-20
	Workforce Development Audit	SS	R	97.5	Nov-20
	FU-State Audit	FM	F	90.0	Dec-20
	Review of Driver License	FM	S	97.5	Jan-21
	FU-Whitehaven Federal Work Study	FM	F	45.0	Oct-20
	Review of Ghost Employee	FM	S	87.5	Feb-21
	INV-Investigation of Clubs	FM	I	45.5	Mar-21
	FU-IT Audit	FM	F	20.0	Apr-21
	IAR-Risk Assessment	IS	A	34.5	May-21
	FU-Internal Audit Follow Up	IS	F	15.0	Jul-20
	IAR-General Consultant	SS	C	82.5	Jul-20
	Unscheduled Investigation	FM	I	62.5	Jul-20
	ACM-Audit Software	FM	P	60.0	Jul-20
	INV-Investigation of Cafeteria	FM	I	35.0	May-21
			Total:	**1147.5**	

Estimated Available Hours For Audits = **1147.5**

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

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

Volunteer State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
8.5	Work Study	SS	S	175.0	Aug-20
7.4	Workforce Development	IA	R	200.0	Oct-20
5.0	State Audit Year-End Work	FM	R	40.0	May-21
5.0	General Consultation	IS	C	75.0	Jul-20
5.0	Follow-Up Activities	IS	F	50.0	Jul-20
5.0	Unscheduled Investigations	IS	I	40.0	Jul-20
5.0	Management Risk Assessment	IS	M	40.0	Oct-20
5.0	IIA QAIP Self Assessment	IS	P	100.0	Jul-20
5.0	Security Funding Allocation	IS	R	100.0	May-20
5.0	CARES Act	IS	R	175.0	Jan-21
4.7	Cash Receipts	FM	A	175.0	Apr-21
			Total:	**1170.0**	

Estimated Available Hours For Audits = 908

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

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

Walters State Community College
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
5.0	Management Advisory Services/Consulting	IS	C	300.0	Jul-20
5.0	State Audit Assist/Follow-up	FM	F	12.0	Oct-20
5.0	IAR-NeSCC President's Expenses Audit 2021	IS	R	90.0	Aug-19
5.0	IAR-FU-CCTA-WorkforceTrainingHours2019	SS	F	22.5	Dec-20
5.0	IAR-CARES Act Review 2021	IS	R	40.0	Feb-21
5.0	IT Governance	IT	A	105.0	Sep-20
5.0	WSCC Enterprise-wide Risk Assessment	IS	M	22.5	Aug-19
5.0	WSCC Risk Assessment T/B/A	IS	M	22.5	May-21
5.0	Accounts Receivable	FM	A	45.0	Oct-20
5.0	WSCC IET Risk Assessment	IS	M	37.5	Dec-20
5.0	IAR-QAR Self & External	IS	P	22.5	Jun-21
5.0	YE Procedures FYE 2021	FM	S	22.5	Jun-21
5.0	YE Procedures FYE 2020	FM	S	22.5	Jul-20
5.0	IAR-NACHA-2021	IT	S	75.5	Jan-21
5.0	Unscheduled Investigations	IS	I	105.0	Jul-20
5.0	IAR-CCTA-Workforce Training Hours	SS	R	105.0	Mar-21
			Total:	**1050.0**	

Estimated Available Hours For Audits = **1050.0**

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

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

TCAT
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
NA	FY 20 Perkins Audit	FM	A	100.0	Jan-21
NA	FY 20 TCAT Consultation	FM	C	200.0	Jul-20
NA	FY 20 TCAT Risk Assessment	FM	R	75.0	Oct-20
NA	FY 20 TCAT Audit Program	FM	C	75.0	Jul-20
NA	FY 20 TCAT Year End Procedures	FM	C	50.0	Jun-21
NA	FY 20 TCAT Foundation	FM	R	37.5	Jul-20
5.0	FY 21 TCAT Memphis Controls Review	FM	A	37.5	Jan-21
5.0	FY 21 TCAT McMinnville Controls Review	FM	A	15.0	Jan-21
4.7	FY 20 TCAT Knoxville President's Expense	FM	R	37.5	Jul-20
4.7	FY 19 TCAT Elizabethton President's Expense	FM	R	37.5	Jul-20
4.7	FY 19 TCAT Murfreesboro President's Expense	FM	R	37.5	Jul-20
4.6	FY 19 TCAT Nashville President's Expense	FM	R	37.5	Jul-20
4.6	FY 20 Nashville-IAR-Equipment/Security Review	FM	A	15.0	Nov-20
3.9	FY 20 TCAT Livingston President's Expense	FM	R	37.5	Sep-20
3.7	FY 19 TCAT Jackson/Whiteville President's Expense	FM	R	37.5	Aug-20
3.2	FY 20 TCAT Hohenwald President's Expense	FM	R	37.5	Oct-20
3.2	FY 19 TCAT Morristown President's Expense	FM	R	15.0	Jul-20
3.1	FY 20 TCAT Crossville President's Expense	FM	R	37.5	Aug-20
2.7	FY 20 TCAT Ripley President's Expense	FM	R	22.5	Mar-21
2.7	FY 20 TCAT Pulaski President's Expnese	FM	R	37.5	Apr-21
2.6	FY 20 TCAT Shelbyville President's Expense	FM	R	22.5	Feb-21
2.6	FY 20 TCAT Newbern President's Expense	FM	R	37.5	Mar-21
2.6	FY 20 TCAT Oneida President's Expense	FM	R	22.5	Feb-21
2.6	FY 20 TCAT Crump President's Expense	FM	R	37.5	May-21
2.5	FY 20 TCAT Dickson SFA Review	FM	A	22.5	May-21
2.1	FY 20 TCAT Jacksboro President's Expense	FM	R	22.5	Mar-21
1.7	FY 19 TCAT Hartsville President's Expense	FM	R	22.5	Aug-21
1.6	FY 19 TCAT Athens President's Expense	FM	R	22.5	Nov-21
1.3	FY 20 TCAT Chattanooga President's Expense	FM	R	22.5	Apr-21
			Total:	**1212.5**	

Estimated Available Hours For Audits = **1,200**

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

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:

TBR - Investigations
Internal Audit Plan
Fiscal Year Ending June 30, 2021

Risk	Audit	Area	Type	Hours Planned	Audit Start Date
	Consultation with Campus Auditors	IS	C	200.0	Jul-20
	Investigation Management	IS	P	200.0	Jul-20
	State Audit Follow-up for TBR	IS	R	75.0	Jul-20
	Unscheduled Investigations	FM	I	347.5	Jul-20
	INV TBR 19-03	SS	I	37.5	Apr-19
	INV TBR 19-06	FM	I	20.0	Jul-19
	INV TBR 19-07	IA	I	20.0	May-19
	INV TBR 20-03	IS	I	75.0	Mar-20
	INV TBR 20-04	IS	I	75.0	Jun-20
			Total:	**1050.0**	

Estimated Available Hours For Audits = 1050.0

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

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

BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Review of Revised Internal Audit Charters

DATE: September 1, 2020

PRESENTER: Mike Batson

ACTION REQUIRED: Roll Call 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 due to a change in Campus President or Director of Internal Audit and are recommended for the committee's approval.

Jackson State Community College

Internal Audit Charter

Introduction

Jackson State Community College is an institution of the Tennessee Board of Regents (TBR) system. The system is governed by the Board of Regents, consisting of 19 members (the Board) as determined by state law. The TBR Audit Committee is a standing committee of the Board. In accordance with the "State of Tennessee Audit Committee Act of 2005," the System-wide Chief Audit Executive reports directly to the Audit Committee and the Board and oversees the internal audit operations. Jackson State Community College employs an internal auditor (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 Jackson State Community College operations. The mission of internal audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight. 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 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.

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

Audit Standards

The internal audit function adheres to mandatory elements of the Institute of Internal Auditors' International Professional Practices Framework, including the Definition of Internal Auditing, the Code of Ethics, the *International Standards for the Professional Practice of Internal Auditing* (*Standards*), and the Core Principles for the Professional Practice of Internal Auditing. These mandatory elements constitute principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Authority and Scope

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

Organizational Status/Reporting Structure

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

The internal auditing services provided by the internal audit office are reported directly to the President and the TBR Audit Committee. All audit work is summarized in timely written reports distributed to management to ensure that the results are given due consideration. In addition to management, reports or summaries are distributed to 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.

Independence and Objectivity

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

Responsibility and Role

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Quality Assurance and Improvement

Internal audit will maintain a quality assurance and improvement program that covers all aspects of the internal audit activity. The program will include an evaluation of the internal audit's conformance with the *Standards* and an evaluation of whether the internal auditors apply the Institute of Internal Auditors' Code of Ethics, Definition of Internal Auditing, and the Core Principles for the Professional Practices of Internal Auditing. The program will include both internal and external assessments. The System-wide Chief Audit Executive will communicate the results of the assessments to the Audit Committee.

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 charterare adequate to enable the internal auditing activity to accomplish its objectives. The results of the periodic assessment will be communicated to senior management and the Audit Committee.

_____   7/16/2020
Dr. George Pimentel,   Date
President, Jackson State Community College
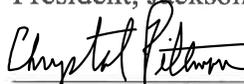
_____   07/21/2020
Chrystal Pittman, Interim Director of Internal Audit   Date
Jackson State Community College

![tbr THE COLLEGE SYSTEM of TENNESSEE]

BOARD TRANSMITTAL

MEETING: Committee on Audit

SUBJECT: Review of Internal Audit Year-End Status Reports for
                                   Fiscal Year 2020

DATE: September 1, 2020

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 2020. This item includes the following summary information on system audit activities for the year.

    Audit Hours by Audit Type and Functional Area
    Planned vs. Actual Audit Hours
    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 2020 TOTAL AUDIT HOURS FOR COMPLETED AUDITS BY AUDIT TYPE
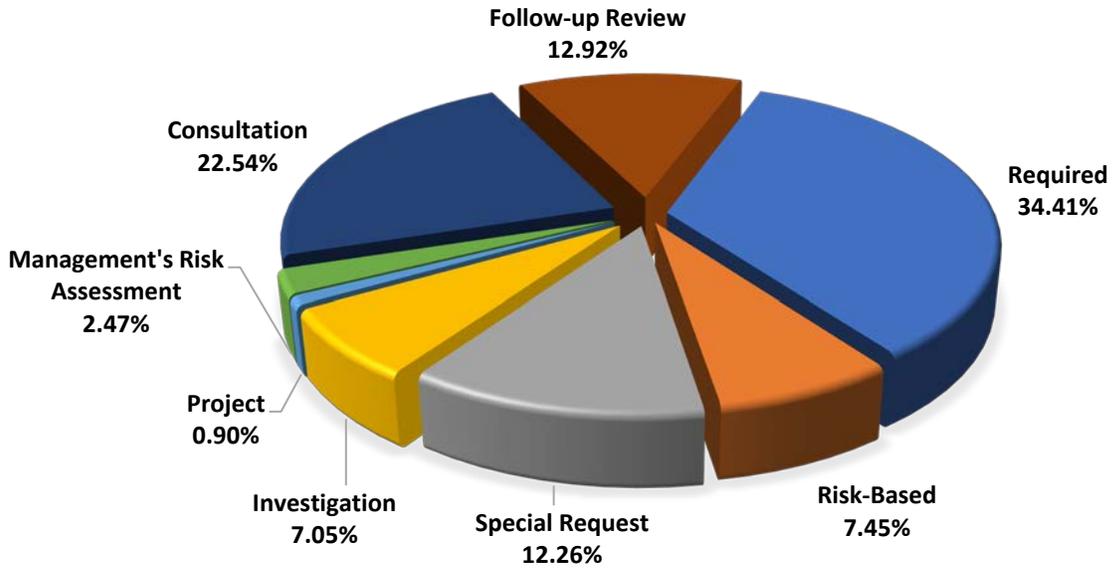
Follow-up Review
12.92%

Consultation
22.54%

Management's Risk Assessment
2.47%

Project
0.90%

Investigation
7.05%

Special Request
12.26%

Risk-Based
7.45%

Required
34.41%

FY 2020 TOTAL AUDIT HOURS FOR COMPLETED AUDITS BY FUNCTIONAL AREA

Financial Management
31%

Student Services
2%

Instruction & Academic Support
6%

Information Technology
10%

Athletics
2%

Auxiliary
1%

Physical Plant
2%

Advancement
14%

Institutional Support
33%
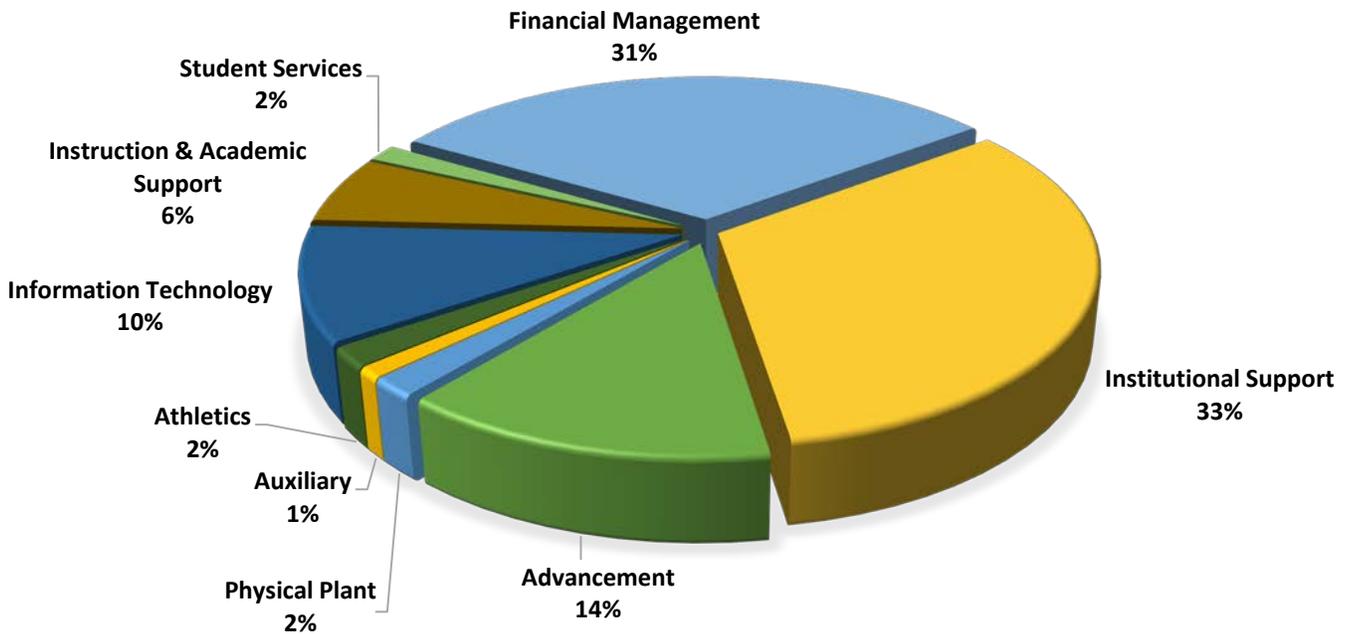
Tennessee Board of Regents
Planned vs. Actual Audit Hours
Fiscal Year 2020

Institution	Planned Audit Hours	Actual Audit Hours	% of Planned Hours Achieved
ChSCC	1150.0	962.0	83.65%
ClSCC	687.5	621.5	90.40%
CoSCC	951.6	825.4	86.74%
DSCC	1093.0	1085.0	99.27%
JSCC	1834.0	1411.8	76.98%
MSCC	1120.0	983.4	87.80%
NaSCC	372.5	262.0	70.34%
NeSCC	1055.0	1025.0	97.16%
PSCC	2069.5	1806.5	87.29%
RSCC	1071.0	744.7	69.53%
STCC	1144.5	1127.5	98.51%
VSCC	1295.0	928.5	71.70%
WSCC	1050.0	1095.5	104.33%
TBR-Investigations*	500.0	480.0	96.00%
TBR-Information Systems*	0.0	0.0	N/A
TBR-TCATs*	1187.5	1274.5	107.33%

Notes:

1-Variances between actual audit hours and planned hours occur because of many factors. The most common factors are unplanned absences, staff changes, or vacancies.

2-Because the SWIA CAE allocates time across various audit functions as needed, the hours may reflect time for more than the single auditor responsible for the type of audit.

Tennessee Board of Regents
Three-year Trend Analysis of Hours from Completed Audits
By Type of Audit and Functional Area

Type of Audit	FY2020	FY2019	FY2018	Average
Required	28%	26%	9%	21%
Risk-Based	7%	5%	18%	10%
Investigation	10%	15%	6%	11%
Consultation	16%	8%	20%	15%
Project	1%	11%	10%	7%
Follow-up Audit	20%	11%	12%	15%
Management's Risk Assessment	6%	8%	9%	8%
Special Request	12%	15%	14%	13%
Other	0%	2%	1%	1%
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.

By Functional Area	FY2020	FY2019	FY2018	Average
Advancement	14%	1%	0%	5%
Athletics	2%	1%	2%	2%
Auxiliary	1%	0%	1%	1%
Financial Management	31%	32%	29%	31%
Instruction and Academic Support	6%	10%	4%	7%
Institutional Support	33%	46%	49%	42%
Information Technology	10%	1%	8%	6%
Marketing & Campus Activities	0%	1%	0%	0%
Physical Plant	2%	0%	1%	1%
Research	0%	1%	0%	0%
Student Services	2%	8%	5%	5%
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.

Tennessee Board of Regents
Summary of Investigation Activity FY 2020
As of June 30, 2020

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	Community Colleges	Technology Colleges	System Office	Total
Tennessee Comptroller				
System-wide Internal Audit	36	8		44
Campus Internal Audit	11			11
Total Complaints	**47**	**8**		**55**
Referred, Duplicative, or Not Viable	25	3		28
Under Preliminary Review/Consultation	2			2
Designated as assistance – not an investigation	3	1		4
Cases Opened	**20**	**1**		**21**
Investigations	**Community Colleges**	**Technology Colleges**	**System Office**	**Total**
Open Cases at July 1, 2019	7	2		9
Cases opened from new complaints or previous preliminary review items	20	1		21
Total Cases	**27**	**3**		**30**
Under further review or referred				
Cases Completed, Reports Issued	8			8
Cases Administratively Closed	8			8
Open Cases at June 30, 2020	**11**	**3**		**14**

Tennessee Board of Regents
Summary of Investigation Activity
Fiscal Year 2020 as of June 30, 2020

Institution	Reports Issued
ClSCC	INV 20-01: Job Application Misrepresentation
JSCC	INV 18-01: Departmental Purchases
JSCC	INV 19-01: Athletic Timekeeping
MSCC	INV 19-01: Payroll Deposit Redirection
MSCC	TBR INV 19-04: President's Expense Audit FY 2019
STCC	TBR INV 19-08: Undisclosed Outside Employment
STCC	INV 20-01: Review of Timecard Preparation
WSCC	INV 19-01: Phishing Scam June to August 2019

Year-End Status Reports

By Institution

Fiscal Year Ending June 30, 2020

Chattanooga State Community College
Year-End Status Report
Fiscal Year Ended June 30, 2020

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Revised to Original — Change in Hours	Change in Percentage	FN	Planned to Actual — Actual Hours	Variance	Completion Date	Current Status
AD	R	Foundation	5.0	100.0	100.0	0.0	0%		80.0	20.0	Feb-20	Completed
FM	F	State Audit Assist/Follow-up	5.0	75.0	75.0	0.0	0%		74.0	1.0	Apr-20	Completed
FM	R	Motlow President's Expense	5.0	100.0	100.0	0.0	0%		93.5	6.5	Oct-19	Completed
FM	S	YE Procedures FYE 2019	5.0	10.0	10.0	0.0	0%		10.0	0.0	Jul-19	Completed
IA	S	Faculty Credentials	5.0	100.0	100.0	0.0	0%		98.0	2.0	Feb-20	Completed
IA	S	TCAT Truck Driving Program	5.0	75.0	75.0	0.0	0%		65.0	10.0	Mar-20	Completed
IA	S	TCAT Salon and Spa Client Services	5.0	0.0	60.0	60.0	100%	FN1	60.0	0.0	Jan-20	Completed
IS	C	Management Advisory Services	5.0	120.0	120.0	0.0	0%		100.0	20.0	Jun-20	Completed
IS	F	Follow up Reviews	5.0	85.0	85.0	0.0	0%		75.0	10.0	Jun-20	Completed
IS	I	Unscheduled Investigations	5.0	70.0	10.0	-60.0	-86%		4.0	6.0	Jun-20	Completed
IS	I	Developing Investigations-Assist TBR	5.0	15.0	15.0	0.0	0%		10.0	5.0	Jun-20	Completed
IS	M	Enterprise Risk Assessment	5.0	35.0	35.0	0.0	0%		31.0	4.0	Dec-19	Completed
IT	S	IAR-NACHA-2019	5.0	60.0	60.0	0.0	0%		54.0	6.0	Oct-19	Completed
FM	S	YE Procedures FYE 2020	5.0	15.0	15.0	0.0	0%		14.0	1.0		In Progress
IA	S	TCAT Auto Client Services	5.0	60.0	75.0	15.0	25%	FN1	55.0	20.0		In Progress
IS	I	INV- 2020-01	5.0	0.0	5.0	5.0	100%	FN1	5.0	0.0		In Progress
IS	I	INV- 2020-02	5.0	0.0	50.0	50.0	100%	FN4	10.0	40.0		In Progress
IS	I	INV- 2020-03	6.0	0.0	60.0	60.0	100%	FN4	60.0	0.0		In Progress
IS	R	Campus Safety	5.0	60.0	60.0	0.0	0%		57.5	2.5		In Progress
IT	A	Software License Compliance	3.5	40.0	40.0	0.0	0%		6.0	34.0		In Progress
IA	S	TCAT Cosmetology Product Purchases	5.0	60.0	0.0	-60.0	100%	FN2	0.0	0.0		Removed
SS	R	Workforce Training Hours	5.0	70.0	0.0	-70.0	100%	FN3	0.0	0.0		Removed
		Total Planned Audit Hours:		**1150.0**	**1150.0**	**0.0**			**962.0**	**188.0**		

Estimated Available Audit Hours =   1080.0

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

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

Status:

Scheduled
In Progress
Completed
Removed

FN1 - The TCAT Client Services Audit was divided into two audits due to the size of the programs. Investigation concern was evaluated with these audits.
FN2 - Cosmetology Product Purchases has been included in the TCAT Salon and Spa Client Services Audit.
FN3 - Project shifted to next year due to panemdic and system-wide IA project priorities.
FN4 - Investigation projects added throughout the year.

Cleveland State Community College
Year-End Status Report
Fiscal Year Ended June 30, 2020

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Revised to Original Change in Hours	Change in Percentage	FN	Planned to Actual Actual Hours	Variance	Completion Date	Current Status
AD	R	Foundation	5.0	100.0	100.0	0.0	0%		105.5	-5.5	Feb-20	Complete
FM	A	Contracts	2.8	100.0	100.0	0.0	0%		143.0	-43.0	Dec-19	Complete
FM	A	Athletic Revenue and Expenditures	2.6	100.0	100.0	0.0	0%		105.5	-5.5	Apr-20	Complete
FM	S	YE Procedures FYE 2020	5.0	10.0	10.0	0.0	0%		4.0	6.0	Jun-20	Complete
FM	S	NACHA 2020	5.0	60.0	60.0	0.0	0%		43.5	16.5	Apr-20	Complete
IS	C	Management Advisory Services	5.0	50.0	50.0	0.0	0%		57.5	-7.5	Jun-20	Complete
IS	F	State Audit Assist/Follow-up	5.0	75.0	75.0	0.0	0%		34.0	41.0	Jun-20	Complete
IS	F	Follow up Reviews	5.0	75.0	75.0	0.0	0%		7.0	68.0	Jun-20	Complete
IS	I	Investigation 20-01		0.0	22.5	22.5	N/A		22.5	0.0	Jan-20	Complete
IS	M	Enterprise Risk Assesment	5.0	35.0	35.0	0.0	0%		21.0	14.0	Dec-19	Complete
IS	R	Campus Safety	5.0	60.0	60.0	0.0	0%		78.0	-18.0		In Progress
IA	R	Workforce Training Hours	5.0	70.0	0.0	-70.0	-100%	1	0.0	0.0		Removed
IS	I	Unscheduled Investigations	5.0	40.0	0.0	-40.0	-100%	2	0.0	0.0		Removed
		Total Planned Audit Hours:		**775.0**	**687.5**	**-87.5**			**621.5**	**66.0**		

Estimated Available Audit Hours =   0.0

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

Status:

Scheduled
In Progress
Completed
Removed

1 The removed audit was by postponed till next audit cycle system wide
2 Place holder

<table>
<tr><td colspan="14">Columbia State Community College
Year-End Status Report
Fiscal Year Ended June 30, 2020</td></tr>
</table>

							Revised to Original			Planned to Actual			
Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Change in Hours	Change in Percentage	FN	Actual Hours	Variance	Completion Date	Current Status
AD	R	Advancement/Development	2.3	150.0	189.0	39.0	26%	4	189.3	-0.3	February 2020	Completed
AT	C	Title IX Gender Equity Assessment	3.5	52.5	131.0	78.5	150%	4	130.8	0.2	#	Completed
FM	C	Informal Complaint Processing		0.0	27.0	27.0		1	18.9	8.1	December 2019	Completed
FM	F	State Audit Follow-Up	5.0	60.0	53.0	-7.0	-12%	2	52.9	0.1	June 2020	Completed
FM	I	CoSCC 19-01		0.0	0.5	0.5		1	0.5	0.0	July 2019	Completed
FM	I	CoSCC 20-01		0.0	9.5	9.5		1	9.5	0.0	October 2019	Completed
FM	M	Review Management's Risk Assessment Process	5.0	22.5	23.5	1.0	4%		23.5	0.0	January 2020	Completed
FM	R	State Audit Year End Work	5.0	22.5	9.0	-13.5	-60%	2	8.4	0.7	June 2020	Completed
IA	R	Economic & Community Development	2.2	50.0	2.0	-48.0	-96%	6	1.5	0.5	*	Completed
IS	A	Policy Review		15.0	7.8	-7.3	-48%	2	7.8	0.0	July 2019	Completed
IS	C	Informal Consulting		110.0	205.0	95.0	86%	4	201.6	3.4	June 2020	Completed
IS	F	Engagement Follow-up	5.0	30.0	52.0	22.0	73%	4	51.7	0.3	June 2020	Completed
IT	A	Disaster Recovery/Business Continuity	4.2	100.0	1.0	-99.0	-99%	5	1.0	0.0	^	Completed
IT	A	Data Stewardship/Access	4.1	150.0	7.5	-142.5	-95%	5	7.5	0.0	^	Completed
IT	F	SWIA IT Audit Follow-Up	5.0	15.0	42.0	27.0	180%	3	40.7	1.3		In Progress
PP	R	Campus Security	2.2	150.0	150.0	0.0	0%		48.6	101.5		In Progress
SS	A	Financial Aid		22.5	41.8	19.3	86%		31.5	10.4		In Progress
IT	A	Incident Response & Reporting	4.3	100.0	0.0	-100.0	-100%	5		0.0		Removed
		Total Planned Audit Hours:		1050.0	951.6				825.4			

Estimated Available Audit Hours =   0.0

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

Status:
Scheduled
In Progress
Completed
Removed

FN

1 Unplanned Engagement

2 Unused hours transferred to other projects

3 Campus Auditor monitoring due to SWIA IT Audit position vacancy

4 Additional time necessary to meet scope or campus needs

5 Removed - Campus Leadership hired consultant to conduct a review of the area

6 Removed by SWIA - rescheduled for 2021

* Rescheduled to 2021 by SWIA

^ Rescheduled to 2021 by IAD & College Leadership

Rescheduled to 2021 due to COVID-19 interruption of athletic season

Dyersburg State Community College
Year-End Status Report
Fiscal Year Ended June 30, 2020

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Change in Hours	Change in Percentage	FN	Actual Hours	Variance	Completion Date	Current Status
						Revised to Original			**Planned to Actual**			
FM	C	Indirect Cost Rate Proposal		0.0	50.5	50.5	N/A		50.5	0.0	12/31/19	Completed
FM	F	Follow-up to State Audit		45.0	45.0	0.0	0%		52.0	-7.0	1/31/20	Completed
FM	R	Foundations		90.0	110.0	20.0	22%		148.0	-38.0	2/29/20	Completed
FM	R	Year End Cash & Bank Confirmations		30.0	30.0	0.0	0%		39.0	-9.0	6/30/20	Completed
IS	C	General Consultation		80.0	100.0	20.0	25%		96.0	4.0	6/30/20	Completed
IS	F	Follow-up Investigation 17-01		20.0	22.0	2.0	10%		22.0	0.0	9/27/19	Completed
IS	F	Follow-up on Workforce Dev. Contact Hrs.		20.0	25.0	5.0	25%		25.0	0.0	11/22/19	Completed
IS	F	Follow-up on Conflict of Interest		20.0	19.0	-1.0	-5%		26.0	-7.0	2/6/20	Completed
IS	F	Follow-up Information Security		20.0	22.0	2.0	10%		29.0	-7.0	10/4/19	Completed
IS	F	Follow-up on Faculty Sick Leave		0.0	35.0	35.0	N/A		39.0	-4.0	5/29/20	Completed
IS	I	Investigations		60.0	120.0	60.0	100%		137.0	-17.0	6/30/20	Completed
IS	R	Risk Management - Quality		102.5	102.5	0.0	0%		90.5	12.0	12/19/19	Completed
AT	A	Athletics Eligibility		40.5	55.0	14.5	36%		58.0	-3.0		In Progress
FM	A	Cash Handling Procedures		65.0	30.0	-35.0	-54%		38.0	-8.0		In Progress
IS	A	Human Resources		120.0	120.0	0.0	0%		52.0	68.0		In Progress
IS	P	PII Review		130.0	130.0	0.0	0%		102.0	28.0		In Progress
PP	R	Physical Security/Campus Safety		65.0	77.0	12.0	18%		81.0	-4.0		In Progress
AD	R	Workforce Development Contact Hours		35.0	0.0	-35.0	-100%	1	0.0	0.0		Removed
AT	A	Athletic - Camps and Clinics, Fundraising		60.0	0.0	-60.0	-100%	2	0.0	0.0		Removed
FM	A	Records Mgmt and Retention		90.0	0.0	-90.0	-100%	3	0.0	0.0		Removed
		Total Planned Audit Hours:		**1093.0**	**1093.0**	**0.0**			**1085.0**	**8.0**		

Estimated Available Audit Hours = 1093.0

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

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

Status:

Scheduled
In Progress
Completed
Removed

Footnotes: (1) Workforce Dev. Contact Hours audit removed because a follow-up audit was performed in this area.
                    (2) Athletic Camps and Clinics, Fundraising was removed due to increased time on other audits and consulting activities.
                    (3) Records Mgmt and Retention audit removed due to extra hours spent on Foundation audit and follow-up audits.

Jackson State Community College
Year-End Status Report
Fiscal Year Ended June 30, 2020

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Revised to Original		FN	Planned to Actual		Completion Date	Current Status
						Change in Hours	Change in Percentage		Actual Hours	Variance		
AD	R	Foundation		130.0	260.0	130.0	100%		382.5	-122.5	17-Feb-20	Completed
AT	I	Inv 19-01 - carryforward		40.0	30.5	-9.5	-24%		30.5	0.0	16-Jul-19	Completed
FM	R	Year-end Procedures		30.0	30.0	0.0	0%		13.0	17.0	19-Jun-20	Completed
IA	I	Inv 18-01		100.0	119.5	19.5	20%		119.5	0.0	9-Sep-19	Completed
IA	F	Study Abroad Follow up		75.0	75.0	0.0	0%		124.8	-49.8	24-Jan-20	Completed
IS	C	General Consultation		75.0	75.0	0.0	0%		136.0	-61.0	30-Jun-20	Completed
IS	F	Emergency Preparedness Follow up		75.0	75.0	0.0	0%		105.5	-30.5	3-Jun-20	Completed
IS	M	Risk Assessment		50.0	30.0	-20.0	-40%		20.5	9.5	9-Jan-20	Completed
IS	R	Campus Safety		130.0	130.0	0.0	0%		125.5	4.5	12-Jun-20	Completed
IS	R	President's Expense Audit		130.0	279.0	149.0	115%		279.0	0.0	30-Sep-19	Completed
FM	F	Access and Diversity Follow up		125.0	125.0	0.0	0%		7.5	117.5		In Progress
FM	F	Payroll Follow up		125.0	125.0	0.0	0%		67.5	57.5		In Progress
AT	F	Inv 19-01 Follow up		75.0	75.0	0.0	0%	1	0.0	75.0		Removed
IA	F	Workforce Development Follow up		75.0	75.0	0.0	0%	1	0.0	75.0		Removed
IA	R	Workforce Development		130.0	0.0	-130.0	-100%	1	0.0	0.0		Removed
IS	F	Conflict of Interest Follow up		75.0	75.0	0.0	0%	1	0.0	75.0		Removed
SS	F	Inv 18-03 Follow up		125.0	125.0	0.0	0%	1	0.0	125.0		Removed
SS	S	Veterans Affairs Student Records		130.0	130.0	0.0	0%	1	1.5	128.5		Removed
		Total Planned Audit Hours:		**1695.0**	**1834.0**	**139.0**			**1413.3**	**420.8**		

Estimated Available Audit Hours =   1834.0

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

Status:

Scheduled
In Progress
Completed
Removed

FN1: All removed audits are postponed until the 2020-21 fiscal year due to time spent on other projects and COVID-19.

								Revised to Original			Planned to Actual			
Area	**Type**	**Audit**	**Risk Factor**	**Estimated Audit Start Date**	**Original Hours Planned**	**Revised Plan**	**Change in Hours**	**Change in Percentag**	**FN**	**Actual Hours**	**Variance**	**Completion Date**	**Current Status**
FM	C	General Consultation	5.0	Jul-19	80.0	60.0	-20.0	-25%		53.1	6.9	Jun-20	Completed
SS	C	Dashboard Access	5.0	Dec-19	150.0	50.0	-100.0	-67%		49.4	0.6	May-20	Completed
AT	F	Follow Up INV 1804	5.0	Dec-19	30.0	10.0	-20.0	-67%		7.8	2.2	Nov-19	Completed
FM	F	Follow Up Access and Diversity	5.0	Jul-19	50.0	45.0	-5.0	-10%		44.4	0.6	Oct-19	Completed
FM	F	Follow Up State Audit		Mar-20	0.0	30.0	30.0	N/A		34.1	-4.1	Apr-20	Completed
IA	F	Follow Up INV 1601	5.0	Jul-19	10.0	10.0	0.0	0%		8.0	2.0	Aug-19	Completed
IA	F	Follow Up INV 1803		Jul-19	0.0	5.0	5.0	N/A		4.7	0.3	Jul-19	Completed
IS	F	Follow Up Conflict of Interest		Dec-19	0.0	12.0	12.0	N/A		11.5	0.5	Dec-19	Completed
AT	I	INV 2001		Jan-20	0.0	40.0	40.0	N/A	3	31.0	9.0	Jun-20	Completed
FM	I	INV 1901	5.0	Aug-19	40.0	22.0	-18.0	-45%		24.0	-2.0	Oct-19	Completed
IS	I	Unscheduled Investigations	5.0	Jul-19	50.0	40.0	-10.0	-20%		33.9	6.1	Jun-20	Completed
IS	I	Assist SWIA		Jul-19	0.0	250.0	250.0	N/A		251.0	-1.0	Jun-20	Completed
IS	I	INV 2002		Feb-20	0.0	80.0	80.0	N/A	3	69.2	10.8	Jun-20	Completed
IA	M	Risk Assessment - Quality	5.0	Nov-19	30.0	20.0	-10.0	-33%		18.2	1.8	Jan-20	Completed
AD	R	Foundation	5.0	Nov-19	125.0	100.0	-25.0	-20%		101.3	-1.3	Feb-20	Completed
FM	R	State Audit Assistance - Year End	5.0	Jul-19	20.0	14.0	-6.0	-30%		9.4	4.6	Jun-20	Completed
IA	R	Study Abroad	5.0	Jul-19	40.0	40.0	0.0	0%		10.6	29.4	Jun-20	Completed
IS	R	Conflict of Interest		Jul-19	0.0	2.0	2.0	N/A		2.0	0.0	Jul-19	Completed
PP	R	Campus Security	5.0	Feb-20	75.0	95.0	20.0	27%		92.4	2.6	Jun-20	Completed
IA	A	Academic Affairs - Faculty Credentials	5.0	May-20	85.0	10.0	-75.0	-88%		3.0	7.0		In Progress
AT	F	Follow Up INV 1604 #2	5.0	Nov-19	30.0	40.0	10.0	33%		25.3	14.7		In Progress
AT	F	Follow Up INV 1802	5.0	Aug-19	30.0	30.0	0.0	0%		16.1	13.9		In Progress
FM	F	Follow Up Access and Diversity # 2		Jan-20	0.0	60.0	60.0	N/A		48.0	12.0		In Progress
SS	F	Follow Up INV 1801	5.0	Sep-19	40.0	40.0	0.0	0%		32.0	8.0		In Progress
SS	I	INV 2003		Jun-20	0.0	0.0	0.0	N/A		2.0	-2.0		In Progress
AD	R	Follow Up Foundation		Jun-20	0.0	0.0	0.0	N/A		1.0	-1.0		In Progress
IT	A	Follow Up Information Technology	5.0	Apr-20	30.0	10.0	-20.0	-67%	4	0.0	10.0		Removed
SS	A	Student Affairs - Satisfactory Academ	5.0	Apr-20	125.0	0.0	-125.0	-100%	1	0.0	0.0		Removed
SS	R	Workforce Development and Follow Up	5.0	Mar-20	80.0	5.0	-75.0	-94%	2	4.5	0.5		Removed
		Total Planned Audit Hours:			**1120.0**	**1120.0**	**0.0**			**987.9**	**132.1**		

Estimated Available Audit Hours = 1120.0

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

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

Status:
Scheduled
In Progress
Completed
Removed

FN 1   Motlow is currently undergoing a revision of Satisfactory Academic Progress (SAP). An audit will be reconsidered in the future.
FN 2   Due to current campus access restrictions, the Workforce Development audit and follow-up will be rescheduled for a later date.
FN 3   Audit hours were added for two investigations beginning this quarter.
FN 4   The Information Technology Follow Up will be scheduled in the FY 2021 audit plan as the institution continues with completion of the business continuity plan.

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Change in Hours	Change in Percentage	FN	Actual Hours	Variance	Completion Date	Current Status
						Revised to Original			**Planned to Actual**			
AD	R	Foundation	5.0	150.0	150.0	0.0	0%		150.0	0.0	Apr-20	Completed
FM	R	State Audit Assistance	5.0	37.5	37.5	0.0	0%		5.0	32.5	Jun-20	Completed
FM	R	Year End Procedures	5.0	15.0	15.0	0.0	0%		2.0	13.0	Jun-20	Completed
IS	C	Management Advisory Services	5.0	20.0	20.0	0.0	0%		15.0	5.0	Jun-20	Completed
IS	R	Physical Security / Campus Safety	5.0	150.0	150.0	0.0	0%		90.0	60.0	Jun-20	Completed
IA	R	Workforce Development	5.0	75.0	0.0	-75.0	-100%	1	0.0	0.0		Removed
		Total Planned Audit Hours:		**447.5**	**372.5**	**-75.0**			**262.0**	**110.5**		
		Estimated Available Audit Hours =		447.5				FN1	Moved to FY2021			

Nashville State Community College
Year-End Status Report
Fiscal Year Ended June 30, 2020

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

Status:

Scheduled
In Progress
Completed
Removed

FN1- System-wide audit moved to FY 2021.

							Revised to Original			Planned to Actual			

Northeast State Community College
Year-End Status Report
Fiscal Year Ended June 30, 2020

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Change in Hours	Change in Percentage	FN	Actual Hours	Variance	Completion Date	Current Status
AD	R	Foundation	5.0	100.0	150.0	50.0	50%	1	147.5	2.5	Apr-20	Completed
FM	A	Grants and Contracts	5.0	75.0	130.0	55.0	73%	1	127.5	2.5	Jun-20	Completed
FM	R	Walters State President Expense Audit	5.0	125.0	125.0	0.0	0%		101.0	24.0	Oct-19	Completed
FM	R	State Audit Assistance - Year End	5.0	20.0	20.0	0.0	0%		20.0	0.0	Jun-20	Completed
IS	C	Management Advisory Services	5.0	100.0	100.0	0.0	0%		101.5	-1.5	Jun-20	Completed
IS	F	Other Audit Follow-Up	5.0	50.0	50.0	0.0	0%		50.0	0.0	Jun-20	Completed
IS	M	Risk Assessment	5.0	45.0	45.0	0.0	0%		45.0	0.0	Jan-20	Completed
IS	S	Special Requests and Projects	5.0	85.0	85.0	0.0	0%		85.0	0.0	Jun-20	Completed
PP	A	Key Control	4.4	100.0	100.0	0.0	0%		102.5	-2.5	Dec-19	Completed
IS	R	Campus Safety	5.0	75.0	125.0	50.0	67%	1	125.0	0.0		In Progress
IT	S	Access Termination	5.0	100.0	125.0	25.0	25%	1	120.0	5.0		In Progress
IS	I	Unscheduled Investigations	5.0	100.0	0.0	-100.0	-100%	3	0.0	0.0		Removed
SS	R	Workforce Development Training Hours 2020	5.0	75.0	0.0	-75.0	-100%	2	0.0	0.0		Removed
		Total Planned Audit Hours:		**1050.0**	**1055.0**	**5.0**			**1025.0**	**30.0**		

Estimated Available Audit Hours =   1050.0

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

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

Status:

Scheduled
In Progress
Completed
Removed

FN1: Hours adjusted due to complexity of projects and COVID19 challenges.
FN2: Postponed until FY2021 by System-Wide Internal Audit. Hours moved to other projects.
FN3: Not needed. Hours moved to other projects.

Pellissippi State Community College
Year-End Status Report
Fiscal Year Ended June 30, 2020

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Change in Hours	Change in Percentage	FN	Actual Hours	Variance	Completion Date	Current Status
						Revised to Original			*Planned to Actual*			
AD	R	Foundation	5.0	150.0	105.0	-45.0	-30%		110.0	-5.0	Jan-20	Completed
FM	A	Travel	3.5	75.0	67.5	-7.5	-10%		63.5	4.0	Aug-19	Completed
FM	R	Year End Inventory & Cash Counts	5.0	30.0	30.0	0.0	0%		7.5	22.5	Jun-20	Completed
FM	R	President's Audit - Roane State	5.0	0.0	100.0	100.0	100%	2	98.0	2.0	Oct-19	Completed
IS	C	Covid-19 Consulting & Support	5.0	0.0	300.0	300.0	100%	5	206.0	94.0	Jun-20	Completed
IS	M	Risk Assessment	5.0	22.5	22.5	0.0	0%		27.5	-5.0	Dec-19	Completed
IS	S	Review of Student Displinary Process in the Nursing Department	5.0	0.0	60.0	60.0	100%	4	62.5	-2.5	Dec-19	Completed
IT	A	PSCC 2 Vulnerabilty Assessment	3.5	0.0	165.0	165.0	100%	1	178.5	-13.5	Jun-20	Completed
IT	C	Management Advisory Service - PCI review including monthly scans	5.0	0.0	150.0	150.0	100%	1	139.5	10.5	Jun-20	Completed
IT	C	Management Advisory Service - Building Security Review	5.0	0.0	45.0	45.0	100%	1	29.0	16.0	Jun-20	Completed
IT	C	Management Advisory Service - General Security Review Services	5.0	0.0	145.0	145.0	100%	1	165.5	-20.5	Jun-20	Completed
IT	F	HVAC Vulnerability Assessment Follw-Up	5.0	0.0	82.5	82.5	100%	1	87.5	-5.0	Feb-20	Completed
IT	S	Bookstore Vulnerability Assessment	5.0	0.0	50.0	50.0	100%	1	48.5	1.5	Mar-20	Completed
IT	S	Security Camera System Vulnerability Assessment	5.0	0.0	300.0	300.0	100%	1	301.0	-1.0	Feb-20	Completed
AD	C	Advancement Management Advisory Services, Consultation, etc.	5.0	37.5	32.5	-5.0	-13%		26.8	5.8	Jun-20	Completed
FM	C	Finance Management Advisory Services, Consultation, etc.	5.0	37.5	42.0	4.5	12%		45.3	-3.3	Jun-20	Completed
IA	S	Faculty Credentials	5.0	112.5	105.0	-7.5	-7%		104.0	1.0	May-20	Completed
IA	S	Review of Compliance Assist	5.0	30.0	30.0	0.0	0%		24.0	6.0	Jun-20	Completed
IS	C	Instirtutional Support Management Advisory Services, Consultation, etc.	5.0	105.0	82.5	-22.5	-21%		5.0	77.5	Jun-20	Completed
IS	R	Campus Security	5.0	75.0	75.0	0.0	0%		77.0	-2.0	Jun-20	Completed
FM	F	Audit Follow-Up (including State Audit)	5.0	45.0	22.5	-22.5	-50%	8	0.0	22.5		Removed
IS	I	Unscheduled Investigations and Special Requests	5.0	37.5	15.0	-22.5	-60%	8	0.0	15.0		Removed
IS	R	Funding Formula-Workforce Development	5.0	45.0	0.0	-45.0	-100%	6	0.5	-0.5		Removed
IT	A	Physical Security Review	3.3	0.0	0.0	0.0	100%	6	0.0	0.0		Removed
PP	A	Service Department - Maintenance	3.7	200.0	0.0	-200.0	-100%	3	0.0	0.0		Removed
IT	S	Café Vulnerability Assessment	5.0	0.0	42.5	42.5	100%	7	41.5	1.0		Removed
		Total Planned Audit Hours:		**1002.5**	**2069.5**	**1067.0**			**1848.5**	**221.0**		

Estimated Available Audit Hours = 1900.0

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

Status:

Scheduled
In Progress
Completed
Removed

FN1 - Audits added to the audit plan as the result of hiring an IT auditor.
FN2 - Audit was added to the audit plan at the request of Chief Audit Executive at the Board due to the individual originally assigned this audit having surgery.
FN3 - Audit was removed due to the addition of the Roane State President's Audit and also the addition of several IT audits.
FN4 - Review was at the request of the President to a complaint received by the Board from a student.
FN5 - Consulting activities related to Covid-19 including serving on the emergency management team and providing other advice to the senior leadership of the college. The IT auditor also worked to provide various college personnel assistance with IT needs related to working remotely. Additionally he has provided assistance related to remote security environment.
FN6 - Audit was removed from audit plan due to college closure related to Covid-19 and audit effort was redirected to provide assistance to management related to the closure.
FN7 - Audit was added as a resulting of hiring an IT Auditor and was removed from current year plan because Café is expected to be closed through June 30, 2020, due to Covid-19. Planned hours on this audit were reduced to approximate actual hours spent prior to the college moving to a remote work environment.
FN8 - Both these audits represent placeholders. The followup conducted in FY20 related to specific IT audits and as such were charged to specific line items. Investigate line items were moved to specific investigations as those came up during the year.

							Revised to Original			Planned to Actual			

Roane State Community College
Year-End Status Report
Fiscal Year Ending June 30, 2020

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Change in Hours	Change in Percentage	FN	Actual Hours	Variance	Completion Date	Current Status
AX	R	Foundation - Policies, Operations	5	105.0	110.0	5.0	5%		109.5	0.5	2/26/2020	Completed
FM	F	State Audit Follow-up	5	52.5	70.5	18.0	34%		61.3	9.2	6/30/2020	Completed
FM	F	IAR Audit Follow-up	5	37.5	37.5	0.0	0%		20.5	17.0	6/30/2020	Completed
FM	R	Year End Cash Counts	5	45.0	45.0	0.0	0%		22.5	22.5	6/30/2020	Completed
IA	S	Workload/Release Time	3.8	22.5	52.0	29.5	131%		51.5	0.5	4/30/2020	Completed
IS	C	Management Advisory Services	5	142.5	240.5	98.0	69%	1	240.3	0.3	6/30/2020	Completed
IS	M	Enterprise Risk Assessment	5	75.0	33.0	-42.0	-56%		32.3	0.7	1/13/2020	Completed
AX	S	Foundation - Restricted Funds	4.1	52.5	52.5	0.0	0%		51.3	1.3		In Progress
FM	S	ACA Reporting	3.1	75.0	75.0	0.0	0%		25.0	50.0		In Progress
FM	S	Accounts Receivable	4.5	75.0	75.0	0.0	0%		23.3	51.7		In Progress
IA	A	International Education	3.4	52.5	35.0	-17.5	-33%		34.8	0.2		In Progress
IA	S	Healthcare Programs Admissions	3.8	105.0	105.0	0.0	0%		25.0	80.0		In Progress
IS	R	Campus Safety & Security	5	60.0	60.0	0.0	0%		40.0	20.0		In Progress
SS	R	Workforce Development	5	60.0	20.0	-40.0	-67%		7.5	12.5		In Progress
FM	I	Unscheduled Investigations	5	90.0	60.0	-30.0	-33%	2	0.0	60.0		Removed
		Total Planned Audit Hours:		**1050.0**	**1071.0**	**21.0**			**744.7**	**326.3**		

Estimated Available Audit Hours =   1071.0

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

Status:

Scheduled
In Progress
Completed
Removed

FN1- Additional hours were needed for COVID related functions.
FN2- Placeholder.

Southwest Tennessee Community College
Year-End Status Report
Fiscal Year Ended June 30, 2020

| Area | Type | Audit | Risk Factor | Original Hours Planned | Revised Plan | Revised to Original | | FN | Planned to Actual | | Completion Date | Current Status |
						Change in Hours	Change in Percentage		Actual Hours	Variance		
FM	A	IAR-Cash Count		37.5	30.5	-7.0	-19%		30.5	0.0	Jun-30	Completed
FM	F	FU-State Audit		90.0	41.0	-49.0	-54%		41.0	0.0	Feb-20	Completed
FM	F	FU-Federal Work Study		90.0	154.0	64.0	71%		154.0	0.0	Feb-20	Completed
FM	F	FU-Compensatory Time		11.0	12.0	1.0	9%		12.0	0.0	Jul-19	Completed
FM	I	Unscheduled Investigation		82.5	0.0	-82.5	-100%		0.0	0.0	June-30	Completed
FM	I	INV-Conducting Jewelry Business		0.0	32.0	32.0	100%		31.5	0.5	Dec-19	Completed
FM	P	ACM-Audit Software		60.0	76.5	16.5	28%		76.5	0.0	June-30	Completed
FM	S	Review of Time Sheets Preparation		97.5	161.5	64.0	66%		161.5	0.0	Oct-19	Completed
FM	S	FU-Special Review of Vendor Issues		22.5	10.5	-12.0	-53%		10.5	0.0	Nov-19	Completed
FM	S	FU-Conflict of Interest Year 2019		22.5	43.0	20.5	91%		43.0	0.0	May-8	Completed
IS	A	IAR-Risk Assessment		37.5	29.0	-8.5	-23%		29.0	0.0	Dec-19	Completed
IS	F	FU-Review of Public Safety Inventory Pro		11.5	14.0	2.5	22%		14.0	0.0	Aug-19	Completed
IS	F	FU-Internal Audit Follow Up		15.0	7.5	-7.5	-50%		6.0	1.5	June-30	Completed
IS	R	Foundation Audit		97.5	128.0	30.5	31%		128.0	0.0	Jan-20	Completed
SS	C	IAR-General Consultant		82.5	69.5	-13.0	-16%		69.5	0.0	June-30	Completed
FM	I	INV-Club		0.0	93.0	93.0	100%		91.5	1.5		In Progress
FM	I	Review-Drivers License		0.0	6.0	6.0	100%		6.0	0.0		In Progress
FM	S	INV-Cafeteria		0.0	26.5	26.5	100%		26.5	0.0		In Progress
FM	S	Review of Accounts Payable Vendors		97.5	52.5	-45.0	-46%		52.5	0.0		In Progress
IS	R	Campus Safety Audit		97.5	125.5	28.0	29%		128.5	-3.0		In Progress
SS	S	Out of State Tuition		97.5	32.0	-65.5	-67%		15.5	16.5		In Progress
SS	R	Workforce Development Audit		97.5	0.0	-97.5	-100%	1	0.0	0.0		Removed
		Total Planned Audit Hours:		**1147.5**	**1144.5**	**-3.0**			**1127.5**	**17.0**		

Estimated Available Audit Hours =   0.0

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- System-wide audit moved to FY 2021.

Status:

Scheduled
In Progress
Completed
Removed

Volunteer State Community College
Year-End Status Report
Fiscal Year Ended June 30, 2020

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Revised to Original		FN	Planned to Actual		Completion Date	Current Status
						Change in Hours	Change in Percentage		Actual Hours	Variance		
FM	A	Conflict of Interest	5	50.0	50.0	0.0	0%		43.0	7.0	Jul-19	Completed
FM	F	State Audit Follow-Up	5	175.0	175.0	0.0	0%		107.5	67.5	Dec-19	Completed
FM	R	President's Expense- Nashville State	5	200.0	200.0	0.0	0%		238.0	-38.0	Oct-20	Completed
FM	R	State Audit Year-End Work	5	40.0	40.0	0.0	0%		31.0	9.0	Jun-20	Completed
IS	C	General Consultation	5	40.0	40.0	0.0	0%		42.5	-2.5	Jun-20	Completed
IS	F	Follow-Up Activities	5	75.0	75.0	0.0	0%		8.0	67.0	Jun-20	Completed
IS	M	Management Risk Assessment	5	100.0	100.0	0.0	0%		59.5	40.5	Jan-20	Completed
AD	R	Foundation	7.9	200.0	200.0	0.0	0%		233.0	-33.0	Mar-20	Completed
IS	R	Campus Safety	8.1	175.0	175.0	0.0	0%		166.0	9.0		In Progress
IA	R	Workforce Development	7.4	175.0	0.0	-175.0	-100%	FN2	0.0	0.0		Removed
IS	I	Unscheduled Investigations	5	40.0	40.0	0.0	0%	FN3	0.0	40.0		Removed
SS	S	Financial Aid Work Study	8.5	200.0	200.0	0.0	0%	FN1	0.0	200.0		Removed
		Total Planned Audit Hours:		**1470.0**	**1295.0**	**-175.0**			**928.5**	**366.5**		

Estimated Available Audit Hours =   0.0

Functional Areas: **Status:**

AD - Advancement   Scheduled
AT - Athletics   In Progress
AX - Auxiliary   Completed
FM - Financial Management   Removed
IA - Instruction & Academic Support
IS - Institutional Support
IT - Information Technology
MC - Marketing and Campus Activities
PP - Physical Plant
RS - Research
SS - Student Services

Footnote 1: Audit was not conducted in FY 2020.
Footnote 2: Audit was removed from FY 2020 audit plan per TBR SWIA instructions.
Footnote 3: There were no investigations conducted in FY 2020.

Walters State Community College
Year-End Status Report
Fiscal Year Ended June 30, 2020

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Revised to Original		FN	Planned to Actual		Completion Date	Current Status
						Change in Hours	Change in Percentage		Actual Hours	Variance		
FM	F	State Audit Assist/Follow-up	5.0	12.0	12.0	0.0	0%		12.5	-0.5	Aug-19	Completed
FM	R	IAR-WSCC President's Expenses Audit 2020	5.0	22.5	22.5	0.0	0%		12.0	10.5	Aug-19	Completed
FM	S	YE Procedures FYE 2019	5.0	22.5	22.5	0.0	0%		7.5	15.0	Jul-19	Completed
IS	R	IAR-WSCC Foundation 2020	5.0	90.0	55.0	-35.0	-39%		62.5	-7.5	Jan-20	Completed
IS	R	IAR-Physical Security/Campus Safety 2020	5.0	40.0	107.5	67.5	169%		90.0	17.5	Jun-20	Completed
IS	R	IAR-WSCC Conflicts of Interest 2019	5.0	37.5	37.5	0.0	0%		37.5	0.0	Aug-19	Completed
IT	S	IAR-NACHA-2020	5.0	105.0	150.5	45.5	43%		147.5	3.0	Dec-19	Completed
SS	F	IAR-FU-CCTA-WorkforceTrainingHours2019	5.0	22.5	52.5	30.0	133%		52.5	0.0	Aug-19	Completed
FM	S	YE Procedures FYE 2020	5.0	22.5	22.5	0.0	0%		23.0	-0.5		In Progress
IS	C	Management Advisory Services	5.0	300.0	322.5	22.5	8%	2	322.5	0.0		In Progress
IS	I	Unscheduled Investigations	5.0	105.0	140.0	35.0	33%		185.0	-45.0		In Progress
IS	M	Quality Risk Assessment	5.0	22.5	0.0	-22.5	-100%		22.5	-22.5		In Progress
SS	R	IAR-CCTA-Workforce Training Hours 2020	5.0	105.0	105.0	0.0	0%		120.5	-15.5		In Progress
IS	M	IET Risk Assessment	5.0	45.0	0.0	-45.0	-100%		0.0	0.0		Removed
IS	P	IAR-QAR Self & External	5.0	22.5	0.0	-22.5	-100%		0.0	0.0		Removed
IT	S	IAR-NACHA-2019	5.0	75.5	0.0	-75.5	-100%	1	0.0	0.0		Removed
		Total Planned Audit Hours:		**1050.0**	**1050.0**	**0.0**			**1095.5**	**-45.5**		

Estimated Available Audit Hours =   1050.0

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

Status:

Scheduled
In Progress
Completed
Removed

1 - Combined with IAR-NACHA-2020   2 - Includes assigned responsibility for implementation of Kuali Ready Business Continuity Plan

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Revised to Original		FN	Planned to Actual		Completion Date	Current Status
						Change in Hours	Change in Percentage		Actual Hours	Variance		
FM	C	FY 20 TCAT Consultation	NA	250.0	250.0	0.0	0%	FN2	344.0	-94.0	6/30/2020	Completed
FM	C	FY 20 TCAT Audit Program	NA	75.0	75.0	0.0	0%		185.5	-110.5	6/30/2020	Completed
FM	C	FY 20 TCAT Year End Procedures	NA	75.0	75.0	0.0	0%		9.5	65.5	6/30/2020	Completed
FM	R	FY 20 TCAT Risk Assessment	NA	75.0	75.0	0.0	0%		50.0	25.0	6/30/2020	Completed
FM	R	FY 18 TCAT Memphis President's Expense	4.2	15.0	46.0	31.0	207%	FN2	62.0	-16.0	1/28/2020	Completed
FM	R	FY 20 TCAT Paris/McKenzie President's Expense	2.6	15.0	28.0	13.0	87%	FN2	36.5	-8.5	2/21/2020	Completed
FM	R	FY 20 TCAT McMinnville President's Expense	2.6	7.5	33.5	26.0	347%	FN2	63.5	-30.0	6/12/2020	Completed
FM	R	FY 20 TCAT Harriman President's Expense	2.5	7.5	7.5	0.0	0%	FN2	65.5	-58.0	6/11/2020	Completed
FM	R	FY 20 TCAT Dickson President's Expense	2.3	7.5	15.0	7.5	100%	FN2	55.0	-40.0	5/18/2020	Completed
FM	A	FY 20 Perkins Audit	NA	100.0	100.0	0.0	0%		45.0	55.0		In Progress
FM	R	FY 20 TCAT Foundation	NA	100.0	100.0	0.0	0%		107.0	-7.0		In Progress
FM	R	FY 20 TCAT Elizabethton President's Expense	4.1	15.0	15.0	0.0	0%	FN2	33.0	-18.0		In Progress
FM	R	FY 18 TCAT Nashville President's Expense	3.6	7.5	7.5	0.0	0%	FN2	38.5	-31.0		In Progress
FM	R	FY 20 TCAT Murfreesboro President's Expense	3.0	7.5	7.5	0.0	0%	FN2	28.5	-21.0		In Progress
FM	R	FY 18 TCAT Ripley-President's Expense	2.8	15.0	15.0	0.0	0%	FN2	34.5	-19.5		In Progress
FM	R	FY 20 TCAT Morristown President's Expense	2.7	15.0	15.0	0.0	0%	FN2	67.5	-52.5		In Progress
FM	R	FY 20 TCAT Crossville President's Expense	2.4	7.5	7.5	0.0	0%	FN2	34.0	-26.5		In Progress
FM	R	FY 18 TCAT Athens President's Expense	1.6	7.5	7.5	0.0	0%	FN2	15.0	-7.5		In Progress
FM	A	FY 19 TCAT Knoxville SFA	4.2	15.0	15.0	0.0	0%	FN1		15.0		Removed
FM	A	FY 19 TCAT Memphis SFA	4.2	15.0	15.0	0.0	0%	FN1		15.0		Removed
FM	A	FY 19 TCAT Elizabethton SFA	4.1	15.0	15.0	0.0	0%	FN1		15.0		Removed
FM	A	FY 17 Nashville-IAR-Equipment/Security Review	3.6	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Nashville SFA	3.6	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Jackson SFA	3.1	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Murfreesboro SFA	3.0	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 17 Ripley-IAR-Equipment/Security Review	2.8	15.0	15.0	0.0	0%	FN1		15.0		Removed
FM	A	FY 19 TCAT Ripley SFA	2.8	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Crump SFA	2.8	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Morristown SFA	2.7	15.0	15.0	0.0	0%	FN1		15.0		Removed
FM	A	FY 19 TCAT Pulaski SFA	2.6	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 17 Paris-IAR-Equipment/Security Review	2.6	7.5	7.5	0.0	0%	FN1	7.5	0.0		Removed
FM	A	FY 19 TCAT Paris SFA	2.6	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT McMinnville SFA	2.6	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Shelbyville SFA	2.6	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Harriman SFA	2.5	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Livingston SFA	2.4	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Crossville SFA	2.4	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Newbern SFA/Equipment/Security/Review	2.4	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Whiteville SFA	2.3	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Dickson SFA	2.3	7.5	7.5	0.0	0%	FN3	15.0	-7.5		Removed
FM	A	FY 19 TCAT Oneida SFA	2.2	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 17 TCAT Covington-IAR-Equipment/Security Review	2.1	15.0	15.0	0.0	0%	FN3		15.0		Removed
FM	A	FY 19 TCAT Covington SFA	2.1	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 17 TCAT McKenzie-IAR-Equipment/Security Review	2.1	7.5	7.5	0.0	0%	FN3	3.5	4.0		Removed
FM	A	FY 19 TCAT McKenzie SFA	2.1	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Hohenwald SFA/Equipment/Security Review	1.9	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Hartsville SFA	1.7	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Jacksboro SFA	1.6	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 17 TCAT Athens-IAR-Equipment/Security Review	1.6	15.0	15.0	0.0	0%	FN1		15.0		Removed
FM	A	FY 19 TCAT Athens SFA	1.6	7.5	7.5	0.0	0%	FN1		7.5		Removed
FM	A	FY 19 TCAT Chattanooga SFA	1.0	15.0	15.0	0.0	0%	FN1		15.0		Removed
		Total Planned Audit Hours:		**1110.0**	**1187.5**	**77.5**			**1300.5**	**-113.0**		

Estimated Audit Hours Available:1110

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

Status:

Scheduled
In Progress
Completed
Removed

FN1 These audits were removed due to closing the campus due to the COVID-19 viru   FN3 Audit was in progress but will be rescheduled when campus is re-opened
FN2 The auditor revised the process to audit TCAT Presidents which increased the hours.

TBR System Office- Investigative Audit Manager
Year-End Status Report
Fiscal Year Ended June 30, 2020

Area	Type	Audit	Risk Factor	Original Hours Planned	Revised Plan	Revised to Original		FN	Planned to Actual		Completion Date	Current Status
						Change in Hours	Change in Percentage		Actual Hours	Variance		
FM	I	INV TBR 19-04		100.0	10.0	-90.0	-90%		10.0	0.0	Oct-19	Completed
IS	C	Consultation with Campus Auditors		275.0	20.0	-255.0	-93%		20.0	0.0	Jun-20	Completed
IS	I	INV TBR 19-08		37.5	10.0	-27.5	-73%		10.0	0.0	Oct-19	Completed
IS	P	Investigation Management		275.0	25.0	-250.0	-91%		25.0	0.0	Jun-20	Completed
FM	I	INV TBR 19-06		37.5	20.0	-17.5	-47%		10.0	10.0		In Progress
IA	I	INV TBR 19-07		37.5	20.0	-17.5	-47%		10.0	10.0		In Progress
IS	I	INV TBR 20-03		0.0	385.0	385.0	N/A		385.0	0.0		In Progress
SS	I	INV TBR 19-03		75.0	10.0	-65.0	-87%		10.0	0.0		In Progress
FM	I	Unscheduled Investigations		100.0	0.0	-100.0	-100%	3		0.0		Removed
IS	R	Conflict of Interest		75.0	0.0	-75.0	-100%	1		0.0		Removed
IS	R	State Audit Follow-up for TBR		37.5	0.0	-37.5	-100%	2		0.0		Removed
		Total Planned Audit Hours:		**1050.0**	**500.0**	**-550.0**			**480.0**	**20.0**		

Estimated Available Audit Hours =   500.0

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

Status:

Scheduled
In Progress
Completed
Removed

1- Audit removed from plan due to vacancy of position in Fall 2019.
2- Removed from plan. Chief Audit Executive took on this task.
3-Place Holder

BOARD TRANSMITTAL

MEETING:	Committee on Audit
SUBJECT:	Review of Audit Committee Charter, Responsibilities, and IIA Standards
DATE:	September 1. 2020
PRESENTER:	Mike Batson
ACTION REQUIRED:	Roll Call Vote
STAFF'S RECOMMENDATION:	Approve

BACKGROUND INFORMATION:

The Audit Committee Charter is reviewed annually, as required by the charter, to consider any needed revisions. Upon approval of any changes by the Audit Committee and Board, the charter is submitted to the Comptroller of the Treasury for review and approval. The Audit Committee Charter was last revised by the Audit Committee on November 13, 2018, and subsequently approved by the Comptroller of the Treasury.

The Internal Audit staff have reviewed the charter and have no recommendations for changes at this time. The Committee will discuss the charter and consider whether any additional changes are needed. The current charter is included in this section.

The Tennessee Board of Regents bylaws provides that the Audit Committee shall provide appropriate oversight and accountability on fiscal matters within the Tennessee Board of Regents and shall employ a person qualified by training and experience to serve as an internal auditor and to report directly to the Audit Committee and the Board. The bylaws require that the internal auditor perform the duties required by the Higher Education Accountability Act of 2004 (T.C.A. § 49-14-101 et seq.) including reports to the Committee and development of a process to report and investigate illegal, improper, fraudulent or wasteful activity. The bylaws provide that in addition to the Regents appointed to the Committee, the Board may select one or more certified public accountants or other qualified citizens who are not members of the Board to serve on the Audit Committee.

A summary chart of Audit Committee responsibilities incorporates requirements noted in the Higher Education Accountability Act referenced in the bylaws, as well as the Board's Audit Committee Charter, Policy 4:01:05:00 on Internal Audit and guidance previously provided by the Comptroller of the Treasury. The Committee will discuss these responsibilities.

State law requires that internal auditors of state entities follow the professional auditing standards of The Institute of Internal Auditors, an international association of internal auditors. The Committee will discuss the Standards and related requirements applicable to the internal audit functions within the Tennessee Board of Regents system. A quality assurance and improvement program is required to monitor ongoing conformance with the Standards. Periodic internal and external assessments are key processes in a quality assurance program. An overview of the Standards is included in this section.

Tennessee Board of Regents
Audit Committee Charter

Purpose

The Audit Committee, a standing committee of the Tennessee Board of Regents, provides oversight and accountability on all aspects of institutional operations within the Tennessee Board of Regents system. The committee will assist the Board in fulfilling its oversight responsibilities by reporting regularly to the Board about Audit Committee activities and issues that arise with such recommendations as the committee deems appropriate. The Audit Committee will provide for open communications among the Board of Regents, the Board's and colleges' senior management, the Tennessee Comptroller of the Treasury, and System-wide Internal Audit regarding audit matters.

For the Board of Regents and its colleges, the Audit Committee will provide oversight in the following areas:

- Audit engagements with the Tennessee Comptroller's Office, including the integrity of financial statements and compliance with legal and regulatory requirements.
- Audit engagements with external auditors.
- Internal Audit activities.
- Internal Audit administration.
- Internal controls and compliance with laws, regulations and other requirements.
- Risk and control assessments.
- Fraud, waste and abuse prevention, detection, and reporting.
- Other areas as directed by the Board.

Audit Standards

The internal audit function adheres to the mandatory elements of the Institute of Internal Auditors' International Professional Practices Framework, including the Definition of Internal Auditing, the Code of Ethics, the *International Standards for the Professional Practice of Internal Auditing (Standards),* and the Core Principles for the Professional Practice of Internal Auditing. These mandatory elements constitute principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Authority and Scope

The Audit Committee has the authority to conduct or authorize audits or investigations into any matter within its scope of responsibility. The scope of internal auditing extends to all aspects of institutional operations and beyond fiscal boundaries. The committee is authorized to:

1

- Seek any information it requires from employees or external parties. Employees are directed to cooperate with the committee's requests.
- Have access to all books, records and physical properties of the Tennessee Board of Regents and its colleges.
- Meet with Board and institutional officials, external and internal auditors, legal counsel, or others as necessary.
- Delegate authority to subcommittees, providing that such decisions by any subcommittee are presented to the full committee at its next scheduled meeting.

Organization and Reporting Structure

In accordance with T.C.A. 49-14-102 and TBR Policy 04-01-05-00, I*nternal Audit,* the Board employs a person qualified by training and experience to serve as the Chief Audit Executive for the system. 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 campus Internal Auditors report to the respective community college President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive. The Chief Audit Executive coordinates audit activities with the Tennessee Comptroller of the Treasury, with the campus internal auditors and with any other external auditors. The Audit Committee facilitates any audit and investigative matters, including advising auditors and investigators of any information the committee may receive pertinent to these matters.

Role and Responsibilities

The Audit Committee will carry out the following duties for the Board and its colleges and will report to the Board about Audit Committee activities and issues that arise with such recommendations as the committee deems appropriate:

Tennessee Comptroller of the Treasury Audits
- Understand the scope and approach used by the auditors in conducting their examinations.
- Review results of the Comptroller's examinations of financial statements and any other matters related to the conduct of the audits.
- Review with management and general counsel any legal matters (including pending litigation) that may have a material impact on the financial statements, and any material reports or inquiries from regulatory or governmental agencies.
- Resolve any differences between management and the Comptroller's auditors regarding financial reporting.
- Meet, as needed, with the Comptroller's auditors to discuss any matters that the Audit Committee or auditors deem appropriate.

External Audits

Revised 10/16/2018

- Understand the scope and approach used by the external auditors in conducting their examinations.
- Review results of the external auditors' examinations and any other matters related to the conduct of the audits.
- Meet with the external auditors to discuss any matters that the Audit Committee or auditors deem appropriate.

Internal Audit Activities
- Ensure that the Chief Audit Executive has direct and unrestricted access to the chairman and other committee members.
- Review and approve the charter for the System-wide Internal Audit function and the colleges' audit functions.
- Review and approve the annual audit plans for the system office and the colleges' audit functions, including management's request for unplanned audits.
- Receive and review significant results of internal audits performed.
- Review the results of the year's work with the Chief Audit Executive. Receive and review any other work prepared by the Chief Audit Executive for the system.
- Ensure the internal audit function maintains a quality assurance and improvement program, including internal procedures and assessments and a periodic external quality assessment of conformance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

Internal Audit Administration
- Review the Chief Audit Executive's administrative reporting relationship to the Vice Chancellor for Business and Finance to assure not only that independence is fostered, but adequate resources in terms of staff and budget are provided to enable the department to effectively perform its responsibilities. The Vice Chancellor has administrative authority for approval of the Chief Audit Executive's time, travel and other expenses of the Office of System-wide Internal Audit. Additionally, the Vice Chancellor may initiate a performance evaluation of the Chief Audit Executive at the request of the Audit Committee or Chair of the committee. This administrative reporting relationship is meant to facilitate administrative activities and does not diminish the Chief Audit Executive's reporting relationship to the Audit Committee and the Board of Regents.
- Review and approve the appointment, compensation, reassignment, or dismissal of the Chief Audit Executive; review and approve the appointment, compensation, and termination of system office internal auditors; review the compensation of campus internal auditors; and approve the termination of campus internal auditors.

Risk, Internal Control and Compliance
- Consider the effectiveness of the internal control system and compliance with laws and regulations, including computerized information system controls and security.
- Understand the scope of internal and external auditors' reviews of internal controls over financial reporting.

Revised 10/16/2018

- Make recommendations to improve the internal control and compliance systems to ensure the safeguarding of assets and prevention and detection of errors and fraud. The components of the control system are:

    1. control environment—creating a culture of accountability;
    2. risk assessment—performing analyses of program operations to determine if risks exist;
    3. control activities—taking actions to address identified risk areas;
    4. information and communication—using and sharing relevant, reliable, and timely information; and
    5. monitoring—tracking improvement initiatives and identifying additional actions needed to further improve program efficiency and effectiveness.

- Review and evaluate risk assessments performed by management of the Board and its colleges.

Fraud
- Ensure that the Board, the management and staff of the Board, and its colleges take all reasonable steps to prevent, detect, and report fraud, waste and abuse.
- Formally and regularly inform management of their responsibility for preventing, detecting, and reporting fraud, waste and abuse.
- Establish a process for employees, taxpayers and other citizens to confidentially report suspected illegal, improper, wasteful or fraudulent activity.
- Inform the Comptroller of the Treasury of assessments of controls to reduce risks of fraud.
- Promptly report indications of fraud to the Comptroller of the Treasury.

Other
- Review and assess the adequacy of the Audit Committee's charter annually, requesting Board approval for proposed changes.
- Ensure the receipt, retention and resolution of complaints regarding accounting, internal controls or auditing matters.
- Review the Board's policies regarding employee conduct to ensure they are readily available to all employees, easy to understand and implement, enforced and provide a confidential means of reporting violations.
- Review the Board's policy regarding conflict of interest to ensure that "conflict of interest" is clearly defined, guidelines are comprehensive, annual signoff is required for those in key positions and procedures are in place to ensure potential conflicts are adequately resolved and documented.

Membership

Tennessee Code Annotated, Section 49-8-201, includes the requirements for the appointment and terms of public members of the Tennessee Board of Regents. From this membership, the Audit Committee and its chair shall be appointed annually by the Board

4

Chairman pursuant to Board bylaws and shall consist of at least one member, preferably the chair of the committee, who shall have accounting and financial management expertise and other members who are generally knowledgeable in financial, management, and auditing matters. In addition to the Regents appointed to the committee, the Board may select one or more certified public accountants or other qualified citizens who are not members of the Board to serve on the Audit Committee. The committee shall have at least three but not more than seven members.

Independence

Each member shall be free of any relationship that would give the appearance of a conflict or that would interfere with his or her exercise of independent judgment.

Education

The Board's senior management and the System-wide Internal Audit office are responsible for providing the committee with educational resources related to accounting principles, internal controls, applicable policies, and other information that may be requested by the committee to maintain appropriate financial and compliance literacy.

Meetings

The Audit Committee shall meet as necessary, but at least quarterly. The committee may invite Board management, auditors, or others to attend and provide relevant information. Meeting agendas will be provided to members in advance, along with appropriate briefing materials. Minutes will be prepared. A majority of the members of the committee shall constitute a quorum for the transaction of business. The committee shall also meet at the request of the Comptroller of the Treasury.

The Audit Committee shall follow the public notice requirements of the Board. All meetings of the Committee shall be subject to the open meetings provisions of *Tennessee Code Annotated*, Title 8, Chapter 44, except that, as provided by *Tennessee Code Annotated*, Section 4-35-108(b), the committee may hold confidential, nonpublic executive sessions to discuss:

1. Items deemed not subject to public inspection under *Tennessee Code Annotated*, Sections 10-7-503 and 10-7-504, and all other matters designated as confidential or privileged under this code;
2. Litigation;
3. Audits or investigations;
4. Information protected by federal law, and
5. Matters involving information under *Tennessee Code Annotated*, Section 4-35-107(a), where the informant has requested anonymity.

Revised 10/16/2018

Source: Committee on Audit Meeting, November 23, 2004; Committee on Audit Meeting, June 29, 2006; Committee on Audit Meeting, September 11, 2007; Committee on Audit Meeting, November 17, 2009; Committee on Audit Meeting, November 16, 2010; Committee on Audit Meeting, November 25, 2014; Committee on Audit Meeting, November 15, 2016; Committee on Audit Meeting, November 13, 2018.

6

Tennessee Board of Regents
Chart of Audit Committee Responsibilities

Responsibilities for Governance and Oversight	Performed	Requirement
A standing committee of the Board to meet as necessary, but at least annually.	Quarterly	S/C
Assist the Board by providing oversight and accountability on financial reporting and related disclosures, internal controls, and all other aspects of operations.	Ongoing	S/G/C
Maintain independence to avoid even the appearance of a conflict that would interfere with independent judgment (annual disclosure).	Ongoing	S/C
Review and assess the adequacy of the Audit Committee charter. Obtain approval of the Board and Comptroller.	Annually	S/G/C
Responsibilities for Internal Audit Activities		
Review and approve the charter of the System-wide Internal Audit (SWIA) and campus internal audit functions.	Annually	S/G/C
Provide a process for confidential complaints of suspected fraud, waste, or abuse.	Ongoing	S/G/C
Review and approve the annual and revised audit plans of SWIA and campus audit functions, including management requests for unplanned assignments.	Annually / Quarterly	C/P
Facilitate audits and investigations from initiation to resolution, including advising auditors of pertinent information received.	Ongoing	S/G/C
Review reports and audits of expenses of the chancellor and presidents.	Annually	S/P
Review significant results of internal audit work performed.	Quarterly	C
Review the internal auditor's report of audit activity at least annually.	Annually	S/C/P
Review reports on the internal audit function's quality assurance and improvement program to monitor and ensure compliance with the IIA *Standards*.	Annually	S/C/P
Responsibilities for External Audit Activities		
Review results of the Comptroller's audits of financial statements and other matters.	Quarterly	S/C
Meet with the Comptroller or State auditors upon request.	As Needed	S/C
Review significant results of any external auditors or regulators.	As Needed	C
Responsibilities for Management's Control Activities		
Review and evaluate management's assessment of risk and fraud, assuring internal controls are in place to mitigate significant risks.	Annually	S/C/G/P
Reiterate to the Board, management, and staff their responsibility for preventing, detecting, and reporting fraud, waste, and abuse.	Annually	S/G/C
Promptly notify the Comptroller of the Treasury of any indications of fraud.	As Needed	S/G/C
Review with management and general counsel any legal matters (including pending litigation) that may have a material impact on the financial statements, and any material reports or inquiries from regulatory or governmental agencies.	As Needed	S/C
Review the Board's policies regarding employee conduct to ensure they are available to all employees, easy to understand and implement, enforced and provide a confidential means of reporting violations.	As Needed	G/C
Review the Board's policy regarding conflict of interest to ensure that it is clearly defined and comprehensive and conflicts are adequately resolved and documented.	As Needed	G/C
Responsibilities for Internal Audit Personnel and Resources		
Employ a qualified internal auditor (CAE) reporting directly to the audit committee and Board, removable only for cause by a majority vote of the Board.	Ongoing	S/C/P
Review CAE's administrative reporting relationship to assure independence and adequate budget and staff resources to perform duties effectively.	Annually	C
Review and approve appointment, compensation, reassignment, or dismissal of CAE.	Annually	S/C/P
Review and approve compensation or termination of system office internal auditors.	Annually	C/P
Review compensation of campus internal auditors. Review and approve termination of campus internal auditors.	Annually	S/C/P

Legend:
 S – State Statute
 C – TBR Audit Committee Charter
 P – TBR Internal Audit Policy, 4-01-05-00
 G – Guidance for Audit Committees by Comptroller

Attribute Standards (1100 – 1300)

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 Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework (the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the *Standards,* and the Definition of Internal Auditing*)*. The chief audit executive must periodically review the internal audit charter and present it to senior management and the board for approval.

> ### *1010 – Recognition of the Definition of Internal Auditing, the Code of Ethics, and the Standards in the Internal Audit Charter*
> *The mandatory nature of the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the* Standards, *and the Definition of Internal Auditing must be recognized in the internal audit charter. The chief audit executive should discuss the Mission of Internal Audit and the mandatory elements of the International Professional Practices Framework with senior management and the board.*

1100 – Independence and Objectivity
The internal audit activity must be independent, and internal auditors must be objective in performing their work.

> ### *1110 – Organizational Independence*
> *The chief audit executive must report to a level within the organization that allows the internal audit activity to fulfill its responsibilities. The chief audit executive must confirm to the board, at least annually, the organizational independence of the internal audit activity.*

> ### *1111 – Direct Interaction with the Board*
> *The chief audit executive must communicate and interact directly with the board.*

> ### *1112 – Chief Audit Executive Roles Beyond Internal Auditing*
> *Where the chief audit executive has or is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards must be in place to limit impairments to independence or objectivity.*

> ### *1120 – Individual Objectivity*
> *Internal auditors must have an impartial, unbiased attitude and avoid any conflict of interest.*

1130 – Impairment to Independence or Objectivity

If independence or objectivity is impaired in fact or appearance, the details of the impairment must be disclosed to appropriate parties. The nature of the disclosure will depend upon the impairment.

1200 – Proficiency and Due Professional Care

Engagements must be performed with proficiency and due professional care.

1210 – Proficiency

Internal auditors must possess the knowledge, skills, and other competencies needed to perform their individual responsibilities. The internal audit activity collectively must possess or obtain the knowledge, skills, and other competencies needed to perform its responsibilities.

1220 – Due Professional Care

Internal auditors must apply the care and skill expected of a reasonably prudent and competent internal auditor. Due professional care does not imply infallibility.

1230 – Continuing Professional Development

Internal auditors must enhance their knowledge, skills, and other competencies through continuing professional development.

1300 – Quality Assurance and Improvement Program

The chief audit executive must develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity.

1310 – Requirements of the Quality Assurance and Improvement Program

The quality assurance and improvement program must include both internal and external assessments.

1311 – Internal Assessments

Internal assessments must include:
- *Ongoing monitoring of the performance of the internal audit activity; and*
- *Periodic self-assessments or assessments by other persons within the organization with sufficient knowledge of internal audit practices.*

1312 - External Assessments

External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization. The chief audit executive must discuss with the board:
- *The form and frequency of external assessment.*
- *The qualifications and independence of the external assessor or assessment team, including any potential conflict of interest.*

1320 – Reporting on the Quality Assurance and Improvement Program

The chief audit executive must communicate the results of the quality assurance and improvement program to senior management and the board. Disclosure should include:

- *The scope and frequency of both the internal and external assessments.*
- *The qualifications and independence of the assessor(s) or assessment team, including potential conflicts of interest.*
- *Conclusions of assessors.*
- *Corrective action plans.*

1321 – Use of "Conforms with the International Standards for the Professional Practice of Internal Auditing"
Indicating that the internal audit activity conforms with the International Standards for the Professional Practice of Internal Auditing is appropriate only if supported by the results of the quality assurance and improvement program.

1322 – Disclosure of Nonconformance
When nonconformance with the Code of Ethics or the Standards impacts the overall scope or operation of the internal audit activity, the chief audit executive must disclose the nonconformance and the impact to senior management and the board.

Performance Standards (2000 – 2600)

2000 – Managing the Internal Audit Activity
The chief audit executive must effectively manage the internal audit activity to ensure it adds value to the organization.

2010 – Planning
The chief audit executive must establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organization's goals.

2020 – Communication and Approval
The chief audit executive must communicate the internal audit activity's plans and resource requirements, including significant interim changes, to senior management and the board for review and approval. The chief audit executive must also communicate the impact of resource limitations.

2030 – Resource Management
The chief audit executive must ensure that internal audit resources are appropriate, sufficient, and effectively deployed to achieve the approved plan.

2040 – Policies and Procedures
The chief audit executive must establish policies and procedures to guide the internal audit activity.

2050 – Coordination and Reliance
The chief audit executive should share information, coordinate activities, and consider relying upon the work of other internal and external assurance and consulting service providers to ensure proper coverage and minimize duplication of efforts.

2060 – Reporting to Senior Management and the Board
The chief audit executive must report periodically to senior management and the board on the internal audit activity's purpose, authority, responsibility, and performance relative to its plan and on its conformance with the Code of Ethics and Standards. Reporting must also include significant risk and control issues, including fraud risks, governance issues, and other matters that require attention of senior management and/or the board.

2070 – External Service Provider and Organizational Responsibility for Internal Auditing
When an external service provider serves as the internal audit activity, the provider must make the organization aware that the organization has the responsibility for maintaining an effective internal audit activity.

2100 – Nature of Work
The internal audit activity must evaluate and contribute to the improvement of organization's governance, risk management, and control processes using a systematic, disciplined, and risk-based approach. Internal audit credibility and value are enhanced when auditors are proactive and their evaluations offer new insights and consider future impact.

2110 – Governance
The internal audit activity must assess and make appropriate recommendations to improve the organization's governance process for:
- *Making strategic and operational decisions.*
- *Overseeing risk management and control.*
- *Promoting appropriate ethics and values within the organization;*
- *Ensuring effective organizational performance management and accountability;*
- *Communicating risk and control information to appropriate areas of the organization; and*
- *Coordinating the activities of and communicating information among the board, external and internal auditors, other assurance providers, and management.*

2120 – Risk Management
The internal audit activity must evaluate the effectiveness and contribute to the improvement of risk management processes.

2130 – Control
The internal audit activity must assist the organization in maintaining effective controls by evaluating their effectiveness and efficiency and by promoting continuous improvement.

2200 – Engagement Planning
Internal auditors must develop and document a plan for each engagement, including the engagement's objectives, scope, timing, and resource allocations. The plan must consider the organization's strategies, objectives, and risks relevant to the engagement.

2201 – Planning Considerations
In planning the engagement, internal auditors must consider:

- *The strategies and objectives of the activity being reviewed and the means by which the activity controls its performance.*
- *The significant risks to the activity's objectives, resources, and operations and the means by which the potential impact of risk is kept to an acceptable level.*
- *The adequacy and effectiveness of the activity's governance, risk management, and control processes compared to a relevant framework or model.*
- *The opportunities for making significant improvements to the activity's governance, risk management, and control processes.*

2210 – Engagement Objectives
Objectives must be established for each engagement.

2220 – Engagement Scope
The established scope must be sufficient to achieve the objectives of the engagement.

2230 – Engagement Resource Allocation
Internal auditors must determine appropriate and sufficient resources to achieve engagement objectives based on an evaluation of the nature and complexity of each engagement, time constraints, and available resources.

2240 – Engagement Work Program
Internal auditors must develop and document work programs that achieve the engagement objectives.

2300 – Performing the Engagement
Internal auditors must identify, analyze, evaluate, and document sufficient information to achieve the engagement's objectives.

2310 – Identifying Information
Internal auditors must identify sufficient, reliable, relevant, and useful information to achieve the engagement's objectives.

2320 – Analysis and Evaluation
Internal auditors must base conclusions and engagement results on appropriate analyses and evaluations.

2330 – Documenting Information
Internal auditors must document sufficient, reliable, relevant, and useful information to support the engagement results and conclusions.

2340 – Engagement Supervision
Engagements must be properly supervised to ensure objectives are achieved, quality is assured, and staff is developed.

2400 – Communicating Results
Internal auditors must communicate the results of engagements.

2410 – Criteria for Communicating

Communications must include the engagement's objectives, scope, and results.

2420 – Quality of Communications

Communications must be accurate, objective, clear, concise, constructive, complete, and timely.

2421 – Errors and Omissions

If a final communication contains a significant error or omission, the chief audit executive must communicate corrected information to all parties who received the original communication.

2430 – Use of "Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing"

Indicating that engagements are "conducted in conformance with the International Standards for the Professional Practice of Internal Auditing" is appropriate only if supported by the results of the quality assurance and improvement program.

2431 – Engagement Disclosure of Nonconformance

When nonconformance with the Code of Ethics or the Standards impacts a specific engagement, communication of the results must disclose the:

- Principle(s) or rule(s) of conduct of the Code of Ethics or Standard(s) with which full conformance was not achieved.
- Reason(s) for nonconformance.
- Impact of nonconformance on the engagement and the communicated engagement results.

2440 – Disseminating Results

The chief audit executive must communicate results to the appropriate parties.

2440.A1 – The chief audit executive is responsible for communicating the final results to parties who can ensure that the results are given due consideration.

2440.A2 – If not otherwise mandated by legal, statutory, or regulatory requirements, prior to releasing results to parties outside the organization the chief audit executive must:

- Assess the potential risk to the organization;
- Consult with senior management and/or legal counsel as appropriate; and
- Control dissemination by restricting the use of the results.

2440.C1 – The chief audit executive is responsible for communicating the final results of consulting engagements to clients.

2440.C2 – During consulting engagements, governance, risk management, and control issues may be identified. Whenever these issues are significant to the organization, they must be communicated to senior management and the board.

2450 – Overall Opinions

When an overall opinion is issued, it must take into account the strategies, objectives, and risks of the organization; and the expectations of senior management, the board, and other stakeholders. The overall opinion must be supported by sufficient, reliable, relevant, and useful information.

2500 – Monitoring Progress

The chief audit executive must establish and maintain a system to monitor the disposition of results communicated to management.

2500.A1 – The chief audit executive must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.

2500.C1 – The internal audit activity must monitor the disposition of results of consulting engagements to the extent agreed upon with the client.

2600 – Communicating the Acceptance of Risks

When the chief audit executive concludes that management has accepted a level of risk that may be unacceptable to the organization, the chief audit executive must discuss the matter with senior management. If the chief audit executive determines that the matter has not been resolved, the chief audit executive must communicate the matter to the board.