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**TENNESSEE BOARD OF REGENTS**  
*Committee on Audit*

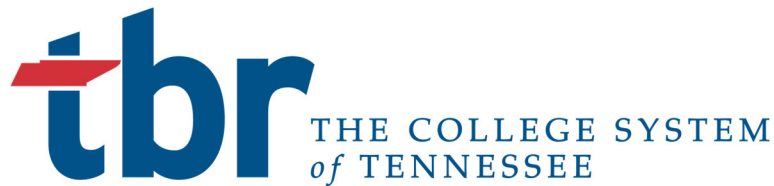
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**AGENDA**  
**August 26, 2025**

- I. INFORMATIONAL REPORTING (Mike Batson)**
  - a. Sunset Audit Process/Guest from Comptroller's Office p.2**
  - b. Highlights of Audit Findings and Recommendations p.3**
  - c. Audit Reports and Reviews p.9**
  - d. System-wide Internal Audit Updates p.49**
  - e. Review of Internal Audit Year-End Status Reports for Fiscal Year 2025 p.50**
- II. ACTION ITEMS (Mike Batson)**
  - a. Review of Internal Audit Plans for Fiscal Year 2026 p.72**
  - b. Review of Internal Audit Charters p.91**
  - c. Review of Charters, Responsibilities, and IIA Standards p.106**
- III. NON-PUBLIC EXECUTIVE SESSION (Mike Batson)**

*This meeting will include members of the Tennessee Board of Regents who are participating by electronic means of communication and will be live-streamed and archived on the TBR website at: <https://www.tbr.edu/board/august-2025-committee-chairs-and-audit-committee-meetings>. Upon request to the [Board Secretary](#), no later than three days prior to the meeting, we will make a space available at the TBR System Office for public viewing of the meeting's livestream.*

*Persons who want to request to address the Board may follow the process authorized by [TBR Policy 1.02.12.00 – Requests to Address the Board](#).*



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## BOARD TRANSMITTAL

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MEETING: Committee on Audit

SUBJECT: Comptroller's Sunset Review Process

DATE: August 26, 2025

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S  
RECOMMENDATION: Accept Report

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Ms. Julie Vallejo, Legislative Audit Liaison with the Comptroller of the Treasury, Division of State Audit will provide a brief introduction and summary of the upcoming Sunset Review for the Tennessee Board of Regents.

Tennessee Code Annotated (TCA) 4-29-101 et seq, Tennessee Governmental Entity Review Law, also known as the Sunset Law, requires a review of all Tennessee state agencies. The law requires a joint evaluation committee (Joint Government Operations Committee) to review each agency at least once every eight years to determine whether the entity should be continued, restructured, or terminated. This is known as a Sunset Audit or Review. The Sunset Review for the Tennessee Board of Regents is tentatively scheduled for fall 2025.

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BOARD TRANSMITTAL

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MEETING: Committee on Audit

SUBJECT: Highlights of Audit Findings and Recommendations

DATE: August 26, 2025

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S  
RECOMMENDATION: Accept Report

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The following items will be discussed with the Audit Committee:

Recommendation/Finding Logs  
Miscellaneous External Reviews  
Comptroller's Audits  
Federal Audits  
Internal Audits

STATUS SUMMARY FOR PREVIOUSLY REPORTED FINDINGS

Comptroller's Audit Reports – There are currently no open Comptroller's Office findings. When there are Comptroller findings, Internal Audit performs a follow-up review within six months of issuance of the audit report. A follow-up report is prepared and submitted to the Comptroller's Office and the Fiscal Review Committee. An executive summary of each follow-up audit is included in the Audit Committee's quarterly materials, when applicable.

Internal Audit Reports - Following is a summary of the status of previously reported findings and recommendations as of June 30, 2025. 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 Internal Audit Recommendations- Community Colleges (Reports sorted by Status, Institution, Report Release Date)										
Institution	Report Release Date	Recommendation	Responsible Staff	TBR Vice Chancellor Area	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	Notes and Dates	Status
SWTCC	1/6/2025	SWTCC-Athletics Compliance 1 of 1: Campus leadership should implement a formalized process to ensure all athletic coaches, assistant coaches, and exempt employees complete an annual Statement of Disclosure of Interest Form (Disclosure). Additionally, a monitoring and tracking system should be established to ensure timely submission.	Athletics/HR	Business and Finance	6/15/2025			6/16/2025	6/16/2025 - The Athletics and HR departments created a standard operating procedure requiring Athletics to submit a Conflict of Interest Form with a Request to Employ Form for new hires. Annually, HR will confirm receipt of Statement of Interest forms from Athletics and maintain a copy in the Athletic employees' personnel file. Athletics is working to update the process for obtaining the Disclosure forms.	In Progress
ChSCC	5/21/2025	ChSCC-Athletics Compliance 1 of 1: The Athletic Director will work with OCE to develop an annual reminder process to ensure the Statement of Disclosure of Interest forms are received for all required Athletics personnel by January 31 each year. The process will also include notification of the required disclosure filing for new Athletics personnel within one month of hire.	Vice President - Student Affairs, Vice President - Organizational Culture and Engagement	Policy and Strategy, Business and Finance	1/31/2026					Not Yet Due
JSCC	6/16/2025	JSCC-IAR-Athletics - Recommendation 1 of 1: Failure to follow athletic team travel policies. Internal Audit recommends that management ensure that procedures for athletic team travel are established to comply with applicable policies and are known to appropriate parties. These procedures should include providing an itinerary in advance that includes 1) an exploration of various cost alternatives, and 2) a roster of all individuals travelling.	Athletic Director	Policy and Strategy	8/7/2025					Not Yet Due
SWTCC	5/7/2025	SWTCC-IAR GLBA-IT General Controls Audit 1 of 1: Management should prioritize completing a business continuity plan and revise IT-related plans (i.e., disaster response, cyber incident response, and data backup and recovery) to ensure continued operations, minimize disruption, and enable a speedy recovery from unexpected events.	IT	Business and Finance	1/31/2027					Not Yet Due
SWTCC	5/7/2025	SWTCC-IAR GLBA-IT General Controls Audit 1 of 2: Management should require all new employees to complete IT security awareness training within a defined timeframe (e.g., within 30 days of employment) as part of the onboarding process. Additionally, an online training option should be provided for immediate access and efficient recordkeeping.	IT	Business and Finance	6/30/2025	9/30/2025	1	6/30/2025	The CISO retired and implementation has been delayed.	Not Yet Due



TBR SWIA - Status Report on Internal Audit Recommendations- TCAT (Reports sorted by Status, Institution, Report Release Date)										
Institution	Report Release Date	Recommendation	Responsible Staff	TBR Vice Chancellor Area	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	Notes & Date	Status
TCAT Hartsville	2/20/2025	Letters for all five students were noted as having been sent with less than 30-day intervals between letters of contact as noted in TBR Guideline B-010. A recommendation was made to establish accounts receivable collection procedures that adhere to the guideline, including ensuring that letters of contact are sent at thirty-day intervals. An example was provided to process letters on the same day each month.	President, Vice President, Office Manager, Business Coordinator	Policy and Strategy	6/30/2025			4/11/2025		Action Completed
TCAT Hohenwald	7/23/2025	Add a third person as cash deposit reviewer to strengthen the segregation of duties.	President, Vice President, Business Office Coordinator	Policy and Strategy	6/30/2025			7/23/2025		Action Completed
TCAT Northwest	2/19/2025	One student was noted as having been sent a collection letter dated for the weekend of December 10, 2022. A recommendation was made to ensure the letters were dated and sent during the business week.	President, Vice President, Financial Support Associate, Student Support Specialist	Policy and Strategy	6/30/2025			2/11/2025		Action Completed
TCAT Livingston	6/28/2024	Two students were noted as having been sent letters of contact for collections on the weekend, 7/15/23 and 10/15/23. A recommendation was made to ensure the letters were dated and sent during the week.	President Coordinator of Business & Finance	Policy and Strategy	3/31/2025	9/30/2025	1	5/30/2025	Spoke with President Wightman. The TCAT will be merging with Upper Cumberland and will be combining duties. This is in process and requested a visit in the fall.	Not Yet Due
TCAT Livingston	6/28/2024	Letters for four students were noted as having been sent with less than 30-day intervals between letters of contact as noted in TBR Guideline B-010. A recommendation was made to process all accounts receivable collection letters on the same day each month to ensure each student is given the full 30 days for each notification.	President Coordinator of Business & Finance	Policy and Strategy	3/31/2025	9/30/2025	1	5/30/2025	Spoke with President Wightman. The TCAT will be merging with Upper Cumberland and will be combining duties. This is in process and requested a visit in the fall.	Not Yet Due
TCAT Memphis	5/9/2025	Establish receivable collection procedures that adhere to the TBR guideline, including ensuring that letters of contact are sent at thirty-day intervals. An example was provided to process letters on the same day each month.	President, VP of Instruction & Institutional Effectiveness, Interim Assistant Finance Coordinator, Financial Support Associate	Policy and Strategy	9/30/2025					Not Yet Due
TCAT Memphis	5/9/2025	Review the collection letter dates to ensure the letters reflect the dates the letters were mailed.	President, VP of Instruction & Institutional Effectiveness, Interim Assistant Finance Coordinator, Financial Support Associate	Policy and Strategy	9/30/2025					Not Yet Due

TBR SWIA - Status Report on Internal Audit Recommendations- TCAT (Reports sorted by Status, Institution, Report Release Date)										
Institution	Report Release Date	Recommendation	Responsible Staff	TBR Vice Chancellor Area	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	Notes & Date	Status
TCAT Memphis	5/9/2025	Reconcile the student accounts receivable each trimester.	President, VP of Instruction & Institutional Effectiveness, Interim Assistant Finance Coordinator, Financial Support Associate	Policy and Strategy	9/30/2025					Not Yet Due
TCAT Memphis	5/9/2025	Reconcile the imprest bank statements to deposits and the operating account monthly.	President, VP of Instruction & Institutional Effectiveness, Interim Assistant Finance Coordinator, Financial Support Associate	Policy and Strategy	9/30/2025					Not Yet Due
TCAT Memphis	5/9/2025	Add a third person as cash deposit reviewer to strengthen the segregation of duties.	President, VP of Instruction & Institutional Effectiveness, Interim Assistant Finance Coordinator, Financial Support Associate	Policy and Strategy	9/30/2025					Not Yet Due
TCAT Memphis	5/9/2025	Scan checks the day the deposit is prepared to ensure the transaction is recorded timely.	President, VP of Instruction & Institutional Effectiveness, Interim Assistant Finance Coordinator, Financial Support Associate	Policy and Strategy	9/30/2025					Not Yet Due
TCAT Morristown	2/21/2025	A recommendation was made to establish accounts receivable collection procedures that adhere to the guideline, including ensuring that letters of contact are sent at thirty-day intervals. An example was provided to process letters on the same day each month.	President, Vice President, Business Office Coordinator	Policy and Strategy	6/30/2025	9/30/2025	1			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	TBR Vice Chancellor Area	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	5/10/2024	MSCC ITGCR: Motlow State Community College did not provide adequate internal controls in nine areas. Ineffective internal controls increase 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), <i>Tennessee Code Annotated</i> . Details will be provided to the Board during Audit Committee Executive Session.  Four of nine areas have been corrected.	Chief Information Officer	Business and Finance	12/31/2024	12/31/2025	2	7/11/2024	4/23/2025	In Progress
NaSCC	10/31/2024	NaSCC ITGCR: Nashville State Community College did not provide adequate internal controls in six areas. Ineffective internal controls increase 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), <i>Tennessee Code Annotated</i> . Details will be provided to the Board during Audit Committee Executive Session.  Three of six areas have been corrected.	Chief Information Officer	Business and Finance	3/30/2025	8/30/2025	1	1/24/2025	4/24/2025	In Progress
TBR System Office and TCATs	12/21/2023	TBR System Office and TCATs ITGCR: The TBR System Office and TCATs did not provide adequate internal controls in seven areas. Ineffective internal controls increase 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), <i>Tennessee Code Annotated</i> . Details will be provided to the Board during Audit Committee Executive Session.  Four of seven areas have been corrected.	Chief Information Officer	Business and Finance	9/30/2024	12/31/2024	1	8/8/2024	2/27/2025	In Progress
TCAT Memphis	1/31/2025	TCAT Memphis ITGCR: TCAT Memphis did not provide adequate internal controls in nine areas. Ineffective internal controls increase 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), <i>Tennessee Code Annotated</i> . Details will be provided to the Board during Audit Committee Executive Session.  Eight of nine areas have been corrected.	Chief Information Officer	Business and Finance	6/30/2025			4/15/2025	5/13/2025	In Progress
RSCC	5/31/2025	RSCC ITGCR: Roane State Community College did not provide adequate internal controls in two areas. Ineffective internal controls increase 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), <i>Tennessee Code Annotated</i> . Details will be provided to the Board during Audit Committee Executive Session.	Chief Information Officer	Business and Finance	9/30/2025					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	TBR Vice Chancellor Area	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
TCAT Crump	1/31/2025	TCAT Crump ITGCR: TCAT Crump did not provide adequate internal controls in three areas. Ineffective internal controls increase 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), <i>Tennessee Code Annotated</i> . Details will be provided to the Board during Audit Committee Executive Session.	Chief Information Officer	Business and Finance	6/30/2025					Not Yet Due
VSCC	6/24/2025	VSCC ITGCR: Volunteer State Community College did not provide adequate internal controls in four areas. Ineffective internal controls increase 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), <i>Tennessee Code Annotated</i> . Details will be provided to the Board during Audit Committee Executive Session.	Chief Information Officer	Business and Finance	6/30/2026					Not Yet Due

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BOARD TRANSMITTAL

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MEETING: Committee on Audit

SUBJECT: Audit Reports and Reviews

DATE: August 26, 2025

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S  
RECOMMENDATION: Accept Report

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**Miscellaneous External Reviews**

The Audit Committee will review executive summaries for the miscellaneous external reviews (reports issued by entities other than Internal Audit, State Audit, or Federal agencies) issued from April 1, 2025, to June 30, 2025.

Roane State Community College  
– Tennessee Small Business Development Center  
Financial Aid Review

**Federal Audits**

The Audit Committee will review executive summaries for the federal audit reports issued before June 30, 2025.

Cleveland State Community College  
– US Department of Veterans Affairs  
Compliance Survey

Columbia State Community College  
– US Department of Veterans Affairs  
Compliance Survey

Jackson State Community College  
– US Department of Veterans Affairs  
Compliance Survey

Northeast State Community College  
– US Department of Labor  
WORC Grant Review

Southwest Tennessee Community College  
– US Department of Veterans Affairs  
Compliance Survey

Walters State Community College  
– US Department of Veterans Affairs  
Compliance Survey

TCAT Athens  
– US Department of Veterans Affairs  
Compliance Survey

TCAT Crump  
– US Department of Veterans Affairs  
Compliance Survey

TCAT Dickson  
– US Department of Veterans Affairs  
Compliance Survey

TCAT Elizabethton  
– US Department of Veterans Affairs  
Compliance Survey

TCAT Jackson  
– US Department of Veterans Affairs  
Compliance Survey

TCAT Memphis  
– US Department of Veterans Affairs  
Compliance Survey

TCAT Nashville  
– US Department of Veterans Affairs  
Compliance Survey

**Comptroller's Office**

The Comptroller of the Treasury, Division of State Audit, under the authority of TCA 4-3-304, performs financial and compliance audits of each Tennessee Board of Regents community college and the system office, typically every other year. The Comptroller's Office also conducts performance audits of the Tennessee Board of Regents operations, as needed. The Audit Committee will review executive summaries for the state audit reports issued before June 30, 2025.

## FINANCIAL AND COMPLIANCE AUDITS – NO FINDINGS

Columbia State Community College

– FYE June 30, 2023 and June 30, 2024

Jackson State Community College

– FYE June 30, 2023 and June 30, 2024

Volunteer State Community College

– FYE June 30, 2023 and June 30, 2024

### **Internal Audit**

The Audit Committee will receive executive summaries for the internal audit reports issued from April 1, 2025, to June 30, 2025, as well as reports issued after June 30, 2025, 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

ChSCC	Overtime and Compensatory Time	Page 32
ChSCC	Athletics Audit	Page 33
DSCC	TBR-INV 25-05: Investigative Review of Allegations Regarding DSCC's Head Baseball Coach	Page 34
JSCC	Athletics Audit	Page 37
PSCC	Athletics Audit	Page 39
RSCC	Follow-up to the State Audit Report for FY 2022 & 2023	Page 40
SWTCC	Follow-up to the Campus Security- Clery Act	Page 42
SWTCC	GLBA- IT General Controls	Page 43
VSCC	Athletics Audit	Page 45
WSCC	Athletics Audit	Page 46
TCAT Memphis	Internal Controls Audit	Page 47

\*Limited Official Use Only reports for RSCC- Information Security Audit, VSCC- Information Security Audit, and PSCC- Banner Maps Server Vulnerability Assessment will be shared in Audit Committee Executive Session.

**Tennessee Board of Regents  
Audit Committee  
August 26, 2025**

***Miscellaneous External  
Reviews***



**Roane State Community College**  
**Tennessee Small Business Development (TSBDC)**  
**Financial Review**  
**October 29, 2024**  
**Executive Summary**

<b>Introduction</b>	<p>TSBDC completed a review at Roane State Community College for the period covering January 1, 2023 through December 31, 2023.</p> <p>The purpose of this review was to assist in completing the financial review of the Tennessee Small Business Development Lead Center under the Small Business Administration's (SBA) Office of Small Business Development Centers via a Cooperative Agreement. The review was conducted by the Financial Reporting &amp; Account Manager.</p>
<b>Results</b>	<p>No findings or recommendations.</p>

**Tennessee Board of Regents  
Audit Committee  
August 26, 2025**

***Federal Audit Reports***

**Cleveland State Community College**  
**U.S. Department of Veterans Affairs**  
**Compliance Survey**  
**June 12, 2024**  
**Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at Cleveland State Community College. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at Cleveland State Community College by an Education Compliance Survey Specialist. An entrance briefing and exit briefing were held on June 11, 2024, with college officials.</p>
<b>Discrepancy</b>	<p>No discrepancies were found within the areas of review.</p>

**Columbia State Community College**  
**U.S. Department of Veterans Affairs**  
**Compliance Survey**  
**June 30, 2025**  
**Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at Columbia State Community College. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at Columbia State Community College by an Education Compliance Survey Specialist. An entrance briefing and exit briefing were held on June 18, 2025, with college officials.</p>
<b>Discrepancy</b>	<p>No discrepancies were found within the areas of review.</p>

**Jackson State Community College**  
**U.S. Department of Veterans Affairs**  
**Compliance Survey**  
**September 17, 2024**  
**Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at Jackson State Community College. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at Jackson State Community College by an Education Compliance Survey Specialist. An entrance briefing and exit briefing were held on September 12, 2024, with college officials.</p>
<b>Discrepancy</b>	<p><b>THE FACILITY ACCURATELY AND PROMPTLY REPORTED ENROLLMENT, TUITION AND FEES, LESSONS SERVICED, FLIGHT TRAINING HOURS OR APPRENTICESHIPS/ON THE JOB TRAINING HOURS (38 CFR 21.4203(e)(f)(g), 21.4204, 21.7156, 21.9735)</b></p> <p><b>Evaluation:</b> In all cases, the college did not provide a second certification.</p> <p><b>Recommendation:</b> Counseled the School Certifying Official concerning Public Law 116-315, section 1010 dual certification requirements.</p>

**Northeast State Community College**  
**U.S. Department of Labor**  
**WORC Enhanced Desk Monitoring Review**  
**May 23, 2025**  
**Executive Summary**

<b>Introduction</b>	During March 10, through 21, 2025, the U.S. Department of Labor, Employment and Training Administration (ETA), Atlanta Regional Office conducted an enhanced desk monitoring review of the Workforce Opportunities for Rural Communities (WORC) grant administered by Northeast State Community College (NeSCC). The grant period reviewed included September 15, 2022 – March 21, 2025.
<b>Purpose</b>	The purpose of ETA’s review was to measure progress, evaluate the management of the grant, the quality of program services, and the grant’s performance to determine if the program has been operating in compliance with the grant agreement and in a manner that will ensure achievement of the stated goals and outcomes. In particular, the review assessed whether the grant is operating in accordance with the Workforce Innovation and Opportunity Act (WIOA); 2 Code of Federal Regulations (CFR) 200, Uniform Administrative Requirements (Uniform Guidance); and DOL Exceptions to 2 CFR Part 200.
<b>Finding</b>	<p>Finding 1: Low enrollment- As of March 21, 2025, NeSCC is not meeting their participant enrollment goals. NeSCC's planned enrollment goal is 75 participants. As of the quarter ending December 31, 2024, NeSCC has enrolled 1 participant. NeSCC has met 1 percent (1/75) of their planned enrollment goal.</p> <p>Finding 2: Low Expenditures- NeSCC was awarded \$1,258,623.00. As of December 31, 2024, NeSCC is not meeting expected expenditure goals. At the time of the review, the grantee expended \$102,812.64, or nine (9) percent, of the grant funds with six (6) months remaining in the grant's POP. Grant expenditures do not align with the spending expectations at this point in the grant's life cycle.</p> <p>Note: On May 14, 2025, the College submitted a letter to the U.S. Department of Labor, ETA, Atlanta Regional Office requesting an early closeout of the grant. This request is due to the inability to successfully reach programmatic goals by September 30, 2025, due to evolving industry needs, the extended turnaround time for approval of modifications, and the ability to effectively align with employer and student requirements. Despite securing a modification in February 2025 that allowed significant progress toward performance goals, broader shifts in industry priorities have prompted the grantee's approved partners to pursue alternative solutions.</p>

**Southwest Tennessee Community College  
U.S. Department of Veterans Affairs  
Compliance Survey  
June 10, 2025  
Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at Southwest Tennessee Community College. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at Southwest Tennessee Community College by an Education Compliance Survey Specialist. An entrance briefing and exit briefing were held on May 20, 2025, with college officials.</p>
<b>Discrepancy</b>	<p><b>VA BENEFICIARIES ARE ENROLLED IN AND PURSUING THE APPROVED PROGRAM AS CERTIFIED (38 CFR 21.3030, 21.5131, 21.7130, 21.7630, 21.9710)</b></p> <p><b>Evaluation:</b> The facility failed to certify the current program of study.</p> <p><b>Recommendation:</b> The School Certifying Official (SCO) corrected the students' program of study in Enrollment Manager. The certification did not have financial implications. SCO was advised on the importance of filing correct certifications to ensure student VA payments are accurate and timely.</p> <p><b>THE FACILITY ACCURATELY AND PROMPTLY REPORTED ENROLLMENT, TUITION AND FEES, LESSONS SERVICED, FLIGHT TRAINING HOURS OR APP/OJT HOURS (38 CFR 21.4203(e)(f)(g), 21.4204, 21.7156, 21.9735)</b></p> <p><b>Evaluation:</b> The facility failed to certify the correct tuition.</p> <p><b>Recommendation:</b> A referral for corrective action was submitted in Enrollment Manager by the SCO. The incorrect certification had financial implications for tuition &amp; fees. SCO was advised on the importance of filing correct certifications to ensure student VA payments are accurate and timely.</p> <p><b>THE FACILITY ACCURATELY AND PROMPTLY REPORTED ENROLLMENT, TUITION AND FEES, LESSONS SERVICED, FLIGHT TRAINING HOURS OR APP/OJT HOURS (38 CFR 21.4203(e)(f)(g), 21.4204, 21.7156, 21.9735)</b></p> <p><b>Evaluation:</b> The facility failed to report the student's graduation.</p> <p><b>Recommendation:</b> A referral for corrective action was submitted in Enrollment Manager by the SCO. The late certification had no financial implications. SCO advised on the importance of filing prompt certifications to ensure student VA payments are timely and accurate.</p>

	<p><b>THE FACILITY PROMPTLY NOTIFIED VA OF ANY CHANGES IN CREDIT OR CLOCK HOURS, OR TUITION &amp; FEES, THAT WOULD AFFECT THE AMOUNT OF PAYMENT TO BENEFICIARIES (38 CFR 21.4203, 21.7156(b), 21.9735)</b></p> <p><b>Evaluation:</b> The facility failed to report the student's termination.</p> <p><b>Recommendation:</b> A referral for corrective action was submitted in Enrollment Manager by the SCO. The missing certification had financial implications for books and supplies. SCO advised on the importance of filing prompt certifications to ensure student VA payments are timely and accurate.</p>
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**Walters State Community College**  
**U.S. Department of Veterans Affairs**  
**Compliance Survey**  
**August 20, 2024**  
**Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at Walters State Community College. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at Walters State Community College by an Education Compliance Survey Specialist. An entrance briefing and exit briefing were held on August 7, 2024, with college officials.</p>
<b>Discrepancy</b>	<p><b>THE FACILITY ACCURATELY AND PROMPTLY REPORTED ENROLLMENT, TUITION AND FEES, LESSONS SERVICED, FLIGHT TRAINING HOURS OR APP/OJT HOURS (38 CFR 21.4203(e)(f)(g), 21.4204, 21.7156, 21.9735)</b></p> <p><b>Evaluation:</b> Initial certification processed more than 30 days after the start of the term.</p> <p><b>Recommendation:</b> Create a process or train additional staff to ensure timely processing. Suggested date of certification request by student should be included in the document.</p> <p><b>Evaluation:</b> Full amount of fees assessed to one term/campus rather than divided between terms.</p> <p><b>Recommendation:</b> Create a process using the tuition and fee charts to ensure tuition and fees are divided as they are accrued rather than assessing all per credit hour fees to one term.</p> <p><b>Evaluation:</b> Remedial Online class was certified.</p> <p><b>Recommendation:</b> Create reporting to identify remedial online classes to ensure they are not certified.</p> <p><b>THE FACILITY PROMPTLY NOTIFIED VA OF ANY CHANGES IN CREDIT OR CLOCK HOURS, OR TUITION &amp; FEES, THAT WOULD AFFECT THE AMOUNT OF PAYMENT TO BENEFICIARIES (38 CFR 21.4203, 21.7156(b), 21.9735)</b></p> <p><b>Evaluation:</b> Late report of unofficial withdrawal/non-punitive grades.</p> <p><b>Recommendation:</b> Create reporting to identify unofficial withdrawal or non-punitive grades to ensure timely reporting.</p> <p><b>Evaluation:</b> Late correction of tuition and fees to accompany change in hours reported early in the term.</p> <p><b>Recommendation:</b> Create reporting to identify changes in enrollment and corresponding tuition and fees to ensure timely reporting.</p>

**TCAT Athens**  
**U.S. Department of Veterans Affairs**  
**Compliance Survey**  
**March 21, 2025**  
**Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at TCAT Athens. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at TCAT Athens by an Education Compliance Survey Specialist. An entrance briefing and exit briefing were held on March 6, 2025, with college officials.</p>
<b>Discrepancy</b>	<p>No discrepancies were found within the areas of review.</p>

**TCAT Crump**  
**U.S. Department of Veterans Affairs**  
**Compliance Survey**  
**April 27, 2025**  
**Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at TCAT Crump. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at TCAT Crump by an Education Compliance Survey Specialist. An entrance briefing and exit briefing were held on April 18, 2025, with college officials.</p>
<b>Discrepancy</b>	<p><b>THE FACILITY ACCURATELY AND PROMPTLY REPORTED ENROLLMENT, TUITION AND FEES, LESSONS SERVICED, FLIGHT TRAINING HOURS OR APP/OJT HOURS (38 CFR 21.4203(e)(f)(g), 21.4204, 21.7156, 21.9735)</b></p> <p><b>Evaluation:</b> This was an unintentional clerical error.</p> <p><b>Recommendation:</b> Advised the SCO to correct the tuition and fees through Enrollment Manager, and the correction was made during the survey. No further action needs to take place.</p>

**TCAT Dickson**  
**U.S. Department of Veterans Affairs**  
**Compliance Survey**  
**July 1, 2025**  
**Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at TCAT Dickson. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at TCAT Dickson by an Education Compliance Survey Specialist. An entrance briefing and exit briefing were held on June 23, 2025, with college officials.</p>
<b>Discrepancy</b>	<p>No discrepancies were found within the areas of review.</p>

**TCAT Elizabethton**  
**U.S. Department of Veterans Affairs**  
**Compliance Survey**  
**September 6, 2024**  
**Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at TCAT Elizabethton. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at TCAT Elizabethton by an Education Compliance Survey Specialist. An entrance briefing and exit briefing were held on August 8, 2024, with college officials.</p>
<b>Discrepancy</b>	<p><b>THE FACILITY MAINTAINS ACCURATE, CURRENT AND COMPLETE RECORDS OF ENROLLMENT, CORRESPONDENCE LESSONS SERVICED, FLIGHT TRAINING HOURS OR APP/OJT HOURS (38 CFR 21.4253, 21.4254)</b></p> <p><b>Evaluation:</b> Detailed attendance records and suspension information were not available.</p> <p><b>Recommendation:</b> Ensure all attendance records and suspension are available for each student and if two records are kept, they are reconciled regularly to ensure attendance information is correct in both systems.</p> <p><b>THE FACILITY ACCURATELY AND PROMPTLY REPORTED ENROLLMENT, TUITION AND FEES, LESSONS SERVICED, FLIGHT TRAINING HOURS OR APP/OJT HOURS (38 CFR 21.4203(e)(f)(g), 21.4204, 21.7156, 21.9735)</b></p> <p><b>Evaluation:</b> Initial certification was more than 30 days after class start.</p> <p><b>Recommendation:</b> Create a process to ensure requests for certification are processed timely.</p> <p><b>Evaluation:</b> Second certification should be processed within 30 days of the last day to avoid academic or monetary penalty.</p> <p><b>Recommendation:</b> Create reporting to identify students who require secondary certification to ensure timely processing.</p> <p><b>Evaluation:</b> Fees that are considered mandatory for the program were not certified for payment from VA.</p> <p><b>Recommendation:</b> Review all fees with administration to determine if fees are mandatory for each program.</p> <p><b>Evaluation:</b> TCAT Reconnect Scholarship is tuition only and was not removed from certified tuition amount.</p> <p><b>Recommendation:</b> Create reporting to identify VA benefit using students who are awarded TCAT Reconnect or other tuition only scholarships to ensure they are properly accounted for at the time of certification.</p> <p><b>Evaluation:</b> Graduation not reported.</p>

	<p><b>Recommendation:</b> Create reporting to identify students who complete their program to ensure prompt reporting of completion.</p> <p><b>OTHER (Incorrect Payment Posted from VA)</b></p> <p><b>Evaluation:</b> Amount posted to student account is not consistent with payment to college.</p> <p><b>Recommendation:</b> Create reporting to reconcile amount certified, the amount posted to the student account, and the amount received from VA are in balance. Review accounts not in balance to determine errors.</p>
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**TCAT Jackson**  
**U.S. Department of Veterans Affairs**  
**Compliance Survey**  
**April 27, 2025**  
**Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at TCAT Jackson. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at TCAT Jackson by an Education Compliance Survey Specialist. An entrance briefing and exit briefing were held on April 17, 2025, with college officials.</p>
<b>Discrepancy</b>	<p>No discrepancies were found within the areas of review.</p>

**TCAT Memphis**  
**U.S. Department of Veterans Affairs**  
**Compliance Survey**  
**October 11, 2024**  
**Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at TCAT Memphis. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at TCAT Memphis by an Education Compliance Survey Specialist. An entrance briefing and exit briefing were held on October 3, 2024, with college officials.</p>
<b>Discrepancy</b>	<p><b>THE FACILITY ACCURATELY AND PROMPTLY REPORTED ENROLLMENT, TUITION AND FEES, LESSONS SERVICED, FLIGHT TRAINING HOURS OR APP/OJT HOURS (38 CFR 21.4203(e)(f)(g), 21.4204, 21.7156, 21.9735)</b></p> <p><b>Evaluation:</b> Enrollment did not have Tuition and fees of \$1,203.00 reported to the VA.</p> <p><b>Recommendation:</b> The School Certifying Official amended enrollment to add tuition and fees at the conclusion of the Compliance Survey.</p>



**TCAT Nashville**  
**U.S. Department of Veterans Affairs**  
**Compliance Survey**  
**August 5, 2024**  
**Executive Summary**

<b>Introduction</b>	<p>The U.S. Department of Veterans Affairs (VA) completed a Compliance Survey at TCAT Nashville. The purpose of a Compliance Survey is to ensure that approved programs are compliant with all applicable provisions of Title 38, United States Code (USC) § 3693 administered by VA.</p> <p>The Compliance Survey was conducted onsite at TCAT Nashville by an Education Compliance Survey Specialist (ECSS). An entrance briefing and exit briefing were held on July 31, 2024, with college officials.</p>
<b>Discrepancy</b>	<p><b>THE FACILITY ACCURATELY AND PROMPTLY REPORTED ENROLLMENT, TUITION AND FEES, LESSONS SERVICED, FLIGHT TRAINING HOURS OR APP/OJT HOURS (38 CFR 21.4203(e)(f)(g), 21.4204, 21.7156, 21.9735)</b></p> <p><b>Evaluation:</b> For student C, the college did not deduct TCAT Reconnect from tuition certified to the VA. For student P, tuition and fees were incorrectly certified for an incorrect (lesser) amount. For students C and K, the enrollment certification was not submitted timely.</p> <p><b>Recommendation:</b> Referrals to adjudication for students C and P. The ECSS reminded the School Certifying Official (SCO) to report enrollment certifications and tuition timely, up to 180 days before the start of the term and no later than 30 days after start of the term.</p> <p><b>THE FACILITY PROMPTLY NOTIFIED VA WHEN BENEFICIARIES TERMINATED OR INTERRUPTED TRAINING (38 CFR 21.4203, 21.7156, 21.9735)</b></p> <p><b>Evaluation:</b> Termination was not reported timely.</p> <p><b>Recommendation:</b> The ECSS reminded the SCO to report terminations timely-no later than 30 days after the effective date of the change.</p> <p><b>THE FACILITY PROMPTLY NOTIFIED VA WHEN BENEFICIARIES DID NOT PROGRESS SATISFACTORILY ACCORDING TO APPROVED STANDARDS AND PRACTICES OF THE FACILITY (38 CFR 21.4203(d), 21.4277)</b></p> <p><b>Evaluation:</b> Three students were in violation of the attendance policy.</p> <p><b>Recommendation:</b> Referral to the State Approving Agency to address the school's inactions to follow their approved attendance policy and standards of progress.</p> <p><b>THE FACILITY PROMPTLY NOTIFIED VA OF ANY CHANGES IN CREDIT OR CLOCK HOURS, OR TUITION &amp; FEES, THAT WOULD AFFECT THE AMOUNT OF PAYMENT TO BENEFICIARIES (38 CFR 21.4203, 21.7156(b), 21.9735)</b></p>

	<p><b>Evaluation:</b> The correct tuition was not reported timely.</p> <p><b>Recommendation:</b> The ECSS reminded the SCO to report changes or corrections timely-no later than 30 days of the effective date of the change.</p>
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**Tennessee Board of Regents  
Audit Committee  
August 26, 2025**

***Internal Audit Reports***

**Chattanooga State Community College**  
**Overtime and Compensatory Time**  
**July 1, 2022 through January 31, 2025**  
**April 17, 2025**  
**Executive Summary**

<b>Key Staff Personnel</b>	Director of Payroll Vice President of Business and Finance	<b>Internal Auditor</b>	Kimberly Clingan Director, Internal Audit
<b>Introduction</b>	<p>Overtime and compensatory time are governed by Chattanooga State Community College (College) policy 06:78:00. The policy states that only clerical/support (non-exempt) employees are eligible for this type of compensation and that time and one-half will be earned for hours in excess of forty hours each workweek. The College does allow compensatory time to be accrued in lieu of overtime pay. A payment will occur for any employee with an accumulation of compensatory time greater than 240 hours or for any hours remaining at the end of each fiscal year.</p> <p>All paid compensatory time or overtime must have prior approval of the employee's supervisor, Vice-President, and the College President. An example of paid overtime is an employee during on-call shifts.</p>		
<b>Objectives</b>	The objective of the audit was to assess the effectiveness and compliance of the college's compensatory time and overtime policies and procedures.		
<b>Conclusion</b>	The College's policy and procedures for compensatory time and overtime are well defined and provide adequate internal controls to maintain compliance with federal, state, and local labor laws. Requirements for management approval in advance ensure unnecessary compensatory hours or overtime payments are avoided and preserve college resources.		

**Chattanooga State Community College**  
**Athletics Compliance**  
**Academic Years 2023 – 2024 and 2024 - 2025**  
**May 22, 2025**  
**Executive Summary**

<b>Key Staff Personnel</b>	Athletic Director; Vice Presidents for Student Affairs, Business and Finance, and Organizational Culture and Engagement	<b>Internal Auditor</b>	Kimberly Clingan Director, Internal Audit
<b>Introduction</b>	Chattanooga State Community College (ChSCC) participates in the National Junior College Athletic Association (NJCAA) - Region 7, Division I and II sports programs as part of its commitment to student-athletes, offering opportunities to excel both on and off the field by fostering student engagement, leadership, and personal development, while emphasizing academic achievement, teamwork, and community involvement. ChSCC participation involves five intercollegiate sports with four as part of Division I and one in Division II. These are men's and women's basketball, men's baseball, women's softball, and women's volleyball. The college is in the process of adding women's soccer beginning in the Fall 2025.		
<b>Objectives</b>	The objective of the audit was to determine if the college has adequate internal controls to ensure compliance with applicable NJCAA, Tennessee Community College Athletic Association (TCCAA), TBR, and college policies and procedures, and to assess that adequate, effective governance oversight of the athletic programs exists to promote transparency and accountability while safeguarding institutional resources and student athletes' welfare.		
<b>Conclusion</b>	The college's athletic policies and corresponding procedures provide adequate internal controls to maintain compliance with NJCAA, TCCAA, and TBR requirements. However, the process for timely collecting and maintaining Statement of Disclosure of Interest forms for athletic coaches, assistant coaches, and other required college employees could be enhanced.		
<b>Recommendation</b>	Athletics and Organizational Culture and Engagement (OCE) should implement a formalized internal control process to ensure proper accountability and retention of the Statement of Disclosure of Interest forms for all athletic coaches, assistant coaches, and exempt employees as required by the Conflict of Interest policy.		
<b>Management Response</b>	The Athletic Director will work with OCE to develop an annual reminder process to ensure the Statement of Disclosure of Interest forms are received for all required Athletics personnel by January 31 each year. The process will also include notification of the required disclosure filing for new Athletics personnel within one month of hire.		

**Dyersburg State Community College**  
**Review of Allegations regarding the Head Baseball Coach – Page 1 of 3**  
**For the Period January 1, 2025, to April 15, 2025**  
**May 15, 2025**  
**Executive Summary**  
**INV 25-05**

<b>Auditee</b>	Dyersburg State Community College	<b>Auditor</b>	Jennifer M. Garoutte, Investigative Audit Manager
<b>Introduction</b>	This investigative audit was conducted due to allegations regarding the Head Baseball Coach providing private lessons on campus and paying team members to assist with those lessons and the coach allowing his family to travel on the college bus to a tournament in Florida.		
<b>Objectives</b>	<p>The objectives of the investigation were:</p> <ul style="list-style-type: none"> <li>• Determine whether the Head Baseball Coach complied with state law, NJCAA rules, TBR and DSCC policies when giving private lessons on campus property to minors and paying students to assist with those lessons.</li> <li>• Determine whether the Head Baseball Coach complied with state law, TBR and DSCC policies when his wife and children rode the college's bus to a tournament in Panama City Beach Florida.</li> </ul>		
<b>Scope</b>	The investigation covered activities between January 1, 2025, and April 15, 2025. Our scope was expanded as necessary when new information was obtained.		
<b>Findings</b>	<p><b>Finding 1 – By providing private lessons to minors on campus and paying team members to assist, the Coach may have violated TBR and DSCC policies, NJCAA rules, and state law.</b></p> <p>TBR and DSCC policies provide processes for the approval of usage of college facilities. We found no documentation of requests for the coach to use the college facilities to provide private lessons.</p> <p>The private lessons appear to have been for minors. DSCC policies have specific requirements regarding training and background checks for those involved in activities on campus involving minors. Appropriate training and background checks were not completed because this was not an approved activity.</p> <p>NJCAA ethics rules require coaches and athletic administrators to avoid impropriety and the appearance of impropriety. Coaches are also to recognize their position of authority and not use it for personal gain. The coach personally profited from the assistance of student athletes in giving private lessons and may have created the appearance of impropriety with the students who assisted him.</p>		

**Dyersburg State Community College**  
**Review of Allegations regarding the Head Baseball Coach – Page 2 of 3**  
**For the Period January 1, 2025, to April 15, 2025**  
**May 15, 2025**  
**Executive Summary**  
**INV 25-05**

<b>Findings</b>	<p>According to <i>Tennessee Code Annotated</i>, § 39-6-402, a public servant commits an offense of Official Misconduct by benefitting from an act that exceeds the public servant’s official power or that constitutes unauthorized exercise of official power.</p> <p>Since there are no records requesting the use of the DSCC indoor training facility, records of training for adults that would have access to minors or completed background checks for those that will be in contact with minors, the coach may have exceeded the official power of his role in order to financially benefit from the use of the college property, equipment, and students.</p> <p><b>Finding 2 – Paying a player to assist with lessons could affect their ability to play as an amateur in the NJCAA or other college athletic associations.</b> NJCAA bylaws provide that an athlete will lose their amateur status and be deemed permanently ineligible for participation in an NJCAA certified sport if they use their athletic skill (directly or indirectly) for pay in any form in their sport.</p> <p>The coach arranging private lessons that use the team members’ athletic skills and arranging payment to them, though a nominal amount, could jeopardize their eligibility to play as an amateur in their sport in the future.</p> <p><b>Finding 3 – The Coach violated DSCC policies by allowing his family to ride the college’s bus to a tournament in Panama City Beach Florida.</b> DSCC policies limit who is allowed to travel in college vehicles and allow exceptions to be approved in advance by the appropriate Vice President. There is no record of a request for an exception being granted or other approval for the coach’s family to travel on the college bus to the tournament in Panama City Beach Florida.</p> <p><b>Finding 4 – The college failed to follow TBR policies regarding travel authorizations for out-of-state travel.</b> In reviewing the documentation for the trip to Panama City Beach, we found that there was not an out-of-state travel authorization on file for the trip. In requesting information from the Business Office, the auditors were told that the practice of using travel authorizations for sporting events stopped, “a couple of years ago.”</p> <p>Failure to complete the proper travel advances for in-state and out-of-state travel could result in liability to the college in the event of an accident or other unforeseen event.</p>
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**Dyersburg State Community College**  
**Review of Allegations regarding the Head Baseball Coach – Page 3 of 3**  
**For the Period January 1, 2025, to April 15, 2025**  
**May 15, 2025**  
**Executive Summary**  
**INV 25-05**

<b>Recommendations</b>	<ul style="list-style-type: none"><li>• The college should ensure that faculty and staff are educated and comply with policies regarding facilities use, minors on campus, group travel, vehicle usage, and travel authorizations.</li><li>• The college should self-report potential violations of policies regarding coaching ethics and athletic eligibility to the NJCAA, as deemed appropriate.</li><li>• Note: The Coach has resigned his position with the College.</li></ul>
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**Jackson State Community College**  
**Athletics Risk Area Concentration – Page 1 of 2**  
**2024-2025 Academic Year**  
**June 16, 2025**  
**Executive Summary**

<b>Key Staff Personnel</b>	President, Executive Vice President of Finance, Administration, and Student Services, Director of Athletics	<b>Internal Auditor</b>	Benjamin Frederick, Director of Internal Audit
<b>Introduction</b>	The audit of Athletics was scheduled by the Tennessee Board of Regents (TBR) to ensure compliance with Jackson State Community College (JSCC) and TBR policies, as well as criteria set forth by the National Junior College Athletic Association (NJCAA) and the Tennessee Community College Athletic Association (TCCAA).		
<b>Objectives</b>	The objective of the audit was to determine if the college has adequate internal controls to ensure compliance with applicable TBR and college policies and NJCAA bylaws and requirements and to assess that adequate, effective governance oversight over athletic programs exists.		
<b>Scope</b>	This audit was conducted in accordance with the Global Internal Audit Standards issued by the Institute of Internal Auditors, and accordingly included reviews of applicable policies and procedures, inquiries of College employees, and other auditing procedures necessary to achieve the objectives.		
<b>Conclusion</b>	Generally, the College has adequate internal controls to ensure compliance with applicable TBR and college policies and NJCAA bylaws and requirements. Adequate, effective governance oversight over athletic programs exists. However, the results of the procedures identified issues with athletic team travel. Internal Audit has provided one recommendation to improve compliance with TBR Policy 4.03.03.50, <i>Athletic and Other Student Group Travel</i> .		
<b>Recommendations</b>	Internal Audit recommends that management ensure that procedures for athletic team travel are established to comply with applicable policies and are known to appropriate parties. These procedures should include providing an itinerary in advance that includes 1) an exploration of various cost alternatives, and 2) a roster of all individuals travelling.		
<b>Management Response</b>	<p>Management concurs with the audit recommendation. Corrections for the identified documentation discrepancies will be completed by August 7, 2025 with the Athletic Director as the responsible party. The following procedures will be implemented:</p> <ol style="list-style-type: none"> <li><b>Travel Itineraries:</b> Head Coaches will be required to submit a complete travel itinerary to the Athletic Director and to all participating student-athletes no later than 72 hours prior to departure for any away competition.</li> </ol>		

**Jackson State Community College**  
**Athletics Risk Area Concentration – Page 2 of 2**  
**2024-2025 Academic Year**  
**June 16, 2025**  
**Executive Summary**

<b>Management Response</b>	<p>2. <b>Travel Manifest:</b> A travel manifest, listing all traveling personnel (including student-athletes, coaches, and support staff), must be submitted to the Athletic Director along with the itinerary.</p> <p>3. <b>Hotel Vendor Quotes:</b> Head Coaches must provide three hotel vendor quotes for each trip. Documentation must be maintained in the Athletic Department indicating that various cost alternatives have been explored before making all arrangements and reservations.</p>
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**Pellissippi State Community College**  
**Athletics Compliance Audit**  
**Audit Period FY 2023-2024**  
**May 29, 2025**  
**Executive Summary**

<b>Key Staff Personnel</b>	Vice President of Student Affairs & Athletic Director	<b>Internal Auditor</b>	Interim Director, Internal Audit
<b>Introduction</b>	In accordance with the annual audit plan, Internal Audit conducted a compliance review of the athletics program at Pellissippi State Community College for Fiscal Year 2024. The review was carried out between March 11 and May 23, 2025.		
<b>Objectives</b>	To evaluate whether Pellissippi State had adequate internal controls in place and to ensure compliance with the pertinent rules set forth by the Tennessee Board of Regents (TBR), Tennessee Community College Athletic Association (TCCAA), and National Junior College Athletic Association (NJCAA), in addition to Pellissippi State Community College's policies and procedures. The audit also assessed for adequate and effective governance control of the sports programs and determined accountability and openness while protecting institutional resources and student athletes' well-being.		
<b>Conclusion</b>	Based upon the results of the work performed within the scope of the audit. Pellissippi State provided reasonable assurance that effective controls of the athletic programs were appropriately managed, and objectives were met. While no findings were warranted, Internal Audit did mention several issues in the exit conference, which were discussed with management. Overall, internal controls over athletic(s) compliance are generally adequate, and the college has appropriate procedures in place to ensure compliance with NJCAA, TCCAA, and Pellissippi State Community College policy and procedures.		
<b>Recommendations</b>	There were no formal audit recommendations related to this audit.		

**Roane State Community College**  
**Follow-Up to State Audit Report – Page 1 of 2**  
**For Fiscal Years Ending June 30, 2022 and June 30, 2023**  
**April 14, 2025**  
**Executive Summary**

<b>Key Staff Personnel</b>	Vice President, Business and Finance; Director of Accounting; Bursar	<b>Internal Auditor</b>	Director of Internal Audit
<b>Introduction</b>	The Comptroller of the Treasury, Division of State Audit issued financial and compliance audits for Roane State Community College for the fiscal years ended June 30, 2022 and June 30, 2023, on October 22, 2024. These reports, entitled <i>Financial and Compliance Audit Report</i> , each included one audit finding. This finding was the same for each year and was not identified in the audit reports as a material weakness, but as a significant deficiency in internal control. State Audit's finding is presented in the Results of State Audit section below.		
<b>Objectives</b>	The objective of the review was 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.		
<b>Scope</b>	This review was conducted in accordance with the <i>Global Internal Audit Standards</i> and accordingly included such procedures as considered necessary in the circumstances. The college's listing of accounts receivable as of February 2025 was reviewed for compliance with the institutional policy on Collection of Accounts Receivable and the Tennessee Board of Regents policy on the Collection of Accounts Receivable.		
<b>Results of the State Audit</b>	<p><u>State Audit Finding</u>  <i>As noted in the prior four audits, the college did not perform adequate collection procedures for accounts receivable.</i>  For the fifth consecutive year, Roane State Community College (RSCC) management did not perform timely collection procedures of accounts receivable. As accounts receivable cannot be written off until the college has exhausted all collection efforts, accounts receivable reported in the notes to the financial statements may not accurately reflect the amount that the college expects to collect.</p> <p>Recommendation - Management should ensure that staff perform collection efforts timely in accordance with policy. Management should provide oversight and review of the collection process to ensure that staff complete each step properly.</p>		

**Roane State Community College**  
**Follow-Up to State Audit Report – Page 2 of 2**  
**For Fiscal Years Ending June 30, 2022 and June 30, 2023**  
**April 14, 2025**  
**Executive Summary**

<b>Audit Results</b>	<p>As of February 17, 2025, there were 925 Banner accounts receivable greater than \$100. 15 accounts were listed as write-off pending, 11 accounts were listed as having been placed with the collection agency, and the rest were progressing through the normal billing process. Internal Audit tested 100 (11%) of these 925 accounts and found every account in the sample to have started the eBilling process within the 30 day period after the due date of the account. Those accounts in the sample which had completed the billing of first, second, third, and pre-collection billing were appropriately and timely placed with the collection agency. The accounts listed as write-off pending were also found on the collection agency's closed report.</p> <p>As of February 18, 2025, there were 14 QuickBooks accounts with balances greater than \$100. One account is in the write-off pending and is shown on the collection agency's closed report. No other accounts from this listing have been placed with the collection agency and were not close to the date for placement with the collection agency.</p>
<b>Conclusion</b>	<p>Based on the results of tests and procedures performed, management has taken adequate actions 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.</p>

**Southwest Tennessee Community College**  
**Follow-up Review of Campus Security – Clery Act Audit**  
**For the Audit Period of January through March 2025**  
**April 28, 2025**  
**Executive Summary**

<b>Key Staff Person:</b>	Chief of Administrative Services	<b>Auditor:</b>	Director of Internal Audit
<b>Introduction</b>	Internal audit conducted a follow-up review of Southwest Tennessee Community College’s (SWTCC) <i>Campus Security – Clery Act</i> audit report issued on October 11, 2024.		
<b>Objectives</b>	The purpose of the audit was to determine if SWTCC has implemented corrective actions addressing the recommendations for ensuring compliance with Clery Act requirements for training and record retention requirements.		
<b>Scope</b>	Internal Audit reviewed Campus Security Authority (CSA) - Clery Act training records through April 16, 2025, Police Services’ daily crime logs from January through March 2025, and the recently completed Annual Security Report for 2024. The audit was conducted in accordance with the <i>Global Internal Audit Standards</i> issued by The Institute of Internal Auditors.		
<b>Conclusion</b>	The review found that management has taken corrective actions for the recommendations noted.		

**Southwest Tennessee Community College**  
**GLBA – IT General Controls Audit – Page 1 of 2**  
**For Fiscal Year 2025**  
**May 7, 2025**  
**Executive Summary**

<b>Key Staff Person:</b>	Chief of Administrative Services	<b>Auditor:</b>	Director of Internal Audit
<b>Introduction</b>	An internal audit of Southwest Tennessee Community College's (SWTCC) GLBA - IT General Controls was performed by Internal Audit in accordance with the annual audit plan.		
<b>Objectives</b>	The purpose of the audit was to determine if SWTCC has effective policies and procedures in place for IT General Controls that support the standards for safeguarding customer information in accordance with the Gramm-Leach-Bliley Act (GLBA), implemented in 16 CFR Part 314 – Standards for Safeguarding Customer Information (GLBA Safeguards Rule). These provisions mandate the development, implementation, and maintenance of a comprehensive information security program to protect customer data.		
<b>Scope</b>	Information technology (IT) general controls over data integrity, data backup, access controls, and related policies and procedures were reviewed for the fiscal year 2025 through February 28, 2025, to determine compliance with the GLBA Safeguards Rule. The audit was conducted in accordance with the <i>Global Internal Audit Standards</i> , issued by The Institute of Internal Auditors.		
<b>Recommendation 1</b>	<p><i>Business Continuity Planning</i></p> <p>Management should prioritize completing a business continuity plan and revise IT-related plans (i.e., disaster response, cyber incident response, and data backup and recovery) to ensure continued operations, minimize disruption, and enable a speedy recovery from unexpected events.</p>		
<b>Management Response</b>	Management concurs. Southwest Tennessee Community College has assigned our Risk Manager to lead the business continuity plan. Each division has a dedicated representative that will work with the Risk Manager to complete the plan. The tentative completion date is January 2027. As the different sections are completed, the Deputy CIO will revise the IT related plans (i.e., disaster response, cyber incident response, and data backup and recovery) as needed.		
<b>Recommendation 2</b>	<p><i>IT Security Awareness Training</i></p> <p>Management should require all new employees to complete IT security awareness training within a defined timeframe (e.g., within 30 days of employment) as part of the onboarding process. Additionally, an online training option should be provided for immediate access and efficient recordkeeping.</p>		

**Southwest Tennessee Community College**  
**GLBA – IT General Controls Audit – Page 2 of 2**  
**For Fiscal Year 2025**  
**May 7, 2025**  
**Executive Summary**

<b>Management Response</b>	Management concurs. IT will create a video that will be placed in Bridge by June 30, 2025. All new employees will be assigned the training in Bridge and given 30 days to complete the training. The Bridge software will allow IT to track the completion of the training for proper recordkeeping.
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**Volunteer State Community College**  
**Athletics Risk Area Concentration**  
**Academic Years 2023-2024 and 2024-2025**  
**May 30, 2025**  
**Executive Summary**

<b>Key Staff Personnel</b>	Athletic department personnel and student athletes.	<b>Internal Auditor</b>	Nancy Batson
<b>Introduction</b>	Athletics at Volunteer State Community College (the college) include men's baseball, women's softball, men's basketball, and women's basketball. The college is a member of the Tennessee Community College Athletic Association (TCCAA), which represents the National Junior College Athletic Association (NJCAA) Region 7. This Division I region consists of eleven community colleges within Tennessee. The athletic department operates under NJCAA, Tennessee Board of Regents (TBR), and college bylaws, requirements, and policies.		
<b>Objectives</b>	<p>The objectives of the audit include the following.</p> <ul style="list-style-type: none"> <li>▪ To determine if the college has adequate internal controls to ensure compliance with applicable TBR and college policies and NJCAA bylaws and requirements.</li> <li>▪ To assess that adequate, effective governance oversight over athletic programs exists.</li> </ul>		
<b>Scope</b>	Academic years 2023-2024 and 2024-2025. This includes the 2023-2024 baseball and softball seasons and the 2024-2025 basketball seasons.		
<b>Conclusion</b>	The results of the review indicate that the college has adequate controls to ensure compliance with applicable TBR, college, and NJCAA policies, bylaws, and requirements. It appears there is adequate and effective governance over the athletic program.		
<b>Recommendation</b>	The report has no recommendations.		

**Walters State Community College**  
**Athletics Program Compliance and Governance**  
**May 23, 2025**  
**Executive Summary**

<b>Key Staff Personnel</b>	Athletics Director, Associate Athletics Director, Assistant Vice President for College Advancement, Director of Financial Services	<b>Internal Auditor</b>	Mark A. Ortlieb, CPA
<b>Introduction</b>	For the athletics program, adequate internal controls are required to mitigate risk of non-compliance with applicable policies and regulations. This audit fulfills those requirements.		
<b>Objective</b>	The objective of the audit is to determine if the college has adequate internal controls to ensure compliance with applicable Tennessee Board of Regents and college policies and National Junior College Athletic Association (NJCAA) bylaws and requirements and to assess that adequate, effective governance oversight over athletic programs exists.		
<b>Scope</b>	<p>This audit encompasses policies, bylaws, rules and regulations, conflicts of interest, outside employment, authorization for volunteers, travel authorizations, travel claims for reimbursement, travel accommodations, funding of travel-related meals, off-campus housing, local transportation, and athletes' and coaches' program satisfaction or concerns.</p> <p>This audit was conducted in conformance with the <i>Global Internal Audit Standards</i> issued by The Institute of Internal Auditors and included tests of records and other procedures considered necessary to achieve the objective.</p>		
<b>Findings</b>	No findings arose from this Internal Audit engagement.		
<b>Conclusion</b>	WSCC complies with the applicable Tennessee Board of Regents and college policies and National Junior College Athletic Association (NJCAA) bylaws and requirements. Adequate, effective governance oversight over athletic programs exists.		

**TCAT Memphis**  
**Audit Report on Internal Controls – Page 1 of 2**  
**For the Audit Period Fiscal Years 2023 and 2024**  
**May 9, 2025**

<b>Key Staff Personnel</b>	President VP of Instruction & Institutional Effectiveness Interim Assistant Finance Coordinator Financial Support Associate	<b>TCAT Internal Auditor</b>	Helen Vose, CIA, CFE
<b>Introduction</b>	The office of System-wide Internal Audit scheduled a review of internal controls for the audit period Fiscal Years 2023 and 2024, following concerns brought forward by TBR Shared Services.		
<b>Objectives</b>	To assess the adequacy of management's system of internal controls. Transactions were tested on a sample basis and other audit procedures were performed on controls in the following areas: <ul style="list-style-type: none"> <li>• Cash receipting</li> <li>• Cash deposits</li> <li>• Accounts receivable</li> <li>• Financial aid award process compliance with federal and state requirements</li> </ul>		
<b>Scope</b>	The audit was conducted in accordance with the <i>Global Internal Audit Standards</i> , issued by the Institute of Internal Auditors and included tests of the accounting records and such other auditing procedures considered necessary. The audit covered financial aid and accounts receivable for fiscal year 2023, and cash and deposits for January 1, 2024, to March 31, 2024. Only three months were tested during fiscal year 2024 in order to test the new process established to improve the cash and deposit process.		
<b>Conclusion</b>	Based on observations, discussions with management, and the test work performed in the areas listed above for the periods covered, management's systems of internal controls are not adequate. Management has not established controls to ensure there is adequate segregation of duties between the cash receipting and deposit processes and to ensure that cash is reconciled daily to deposits. Student accounts receivable are recorded but are not reconciled promptly, the aging is not performed monthly, and notices of delinquent accounts are not sent in a timely manner, as noted below. The coordination between Financial Aid and the Business Office appears to be in place to ensure students that have dropped or have been terminated are identified and refunds processed as necessary. The process of ensuring the student is awarded accurately and is aware of all the resources for financial aid is adequate. The audit revealed significant issues of noncompliance with TBR and institutional policies, which could result in significant deficiencies in operations. Six recommendations were noted.		

**TCAT Memphis**  
**Audit Report on Internal Controls – Page 2 of 2**  
**For the Audit Period Fiscal Years 2023 and 2024**  
**May 9, 2025**

<b>Recommendations</b>	<p>Based on audit procedures performed, we recommend the college:</p> <ul style="list-style-type: none"> <li>• Establish receivable collection procedures that adhere to the TBR guideline, including ensuring that letters of contact are sent at thirty-day intervals. An example was provided to process letters on the same day each month.</li> <li>• Review the collection letter dates to ensure the letters reflect the dates the letters were mailed.</li> <li>• Reconcile the student accounts receivable each trimester.</li> <li>• Reconcile the imprest bank statements to deposits and the operating account monthly.</li> <li>• Add a third person as cash deposit reviewer to strengthen the segregation of duties.</li> <li>• Scan checks the day the deposit is prepared to ensure the transaction is recorded timely.</li> </ul>
<b>Management Response</b>	<p>We concur and are pleased to confirm that all six recommendations outlined in the report have been fully addressed and corrective actions have been implemented accordingly:</p>

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BOARD TRANSMITTAL

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MEETING: Committee on Audit

SUBJECT: System-wide Internal Audit Updates

DATE: August 26, 2025

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S  
RECOMMENDATION: Accept Report

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Mike Batson will give brief updates on the following items:

- Kate Walker's move to External Affairs
- Update on Open Positions
  1. New Motlow State Internal Auditor
  2. Walters State and Cleveland State vacancies
  3. New Investigative Auditor position search
  4. Administrative Assistant III position search

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BOARD TRANSMITTAL

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MEETING: Committee on Audit

SUBJECT: Review of Internal Audit Year-End Status Reports for  
Fiscal Year 2025

DATE: August 26, 2025

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S  
RECOMMENDATION: Accept Report

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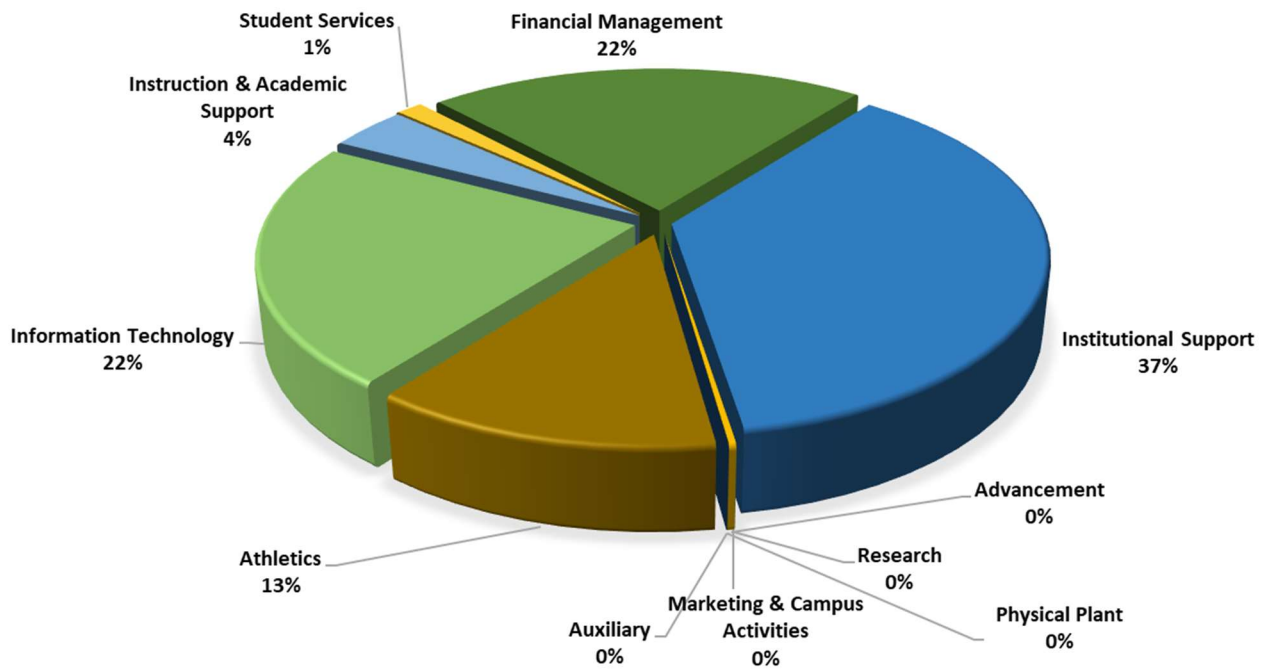
The committee will review the year-end status of the internal audit plans for the system institutions for Fiscal Year 2025. This item includes the following summary information on system audit activities for the year.

Audit Hours by Audit Type and Functional Area  
Planned vs. Actual Audit Hours  
Audit Activity Three-year Trend Analysis  
Investigation Activity

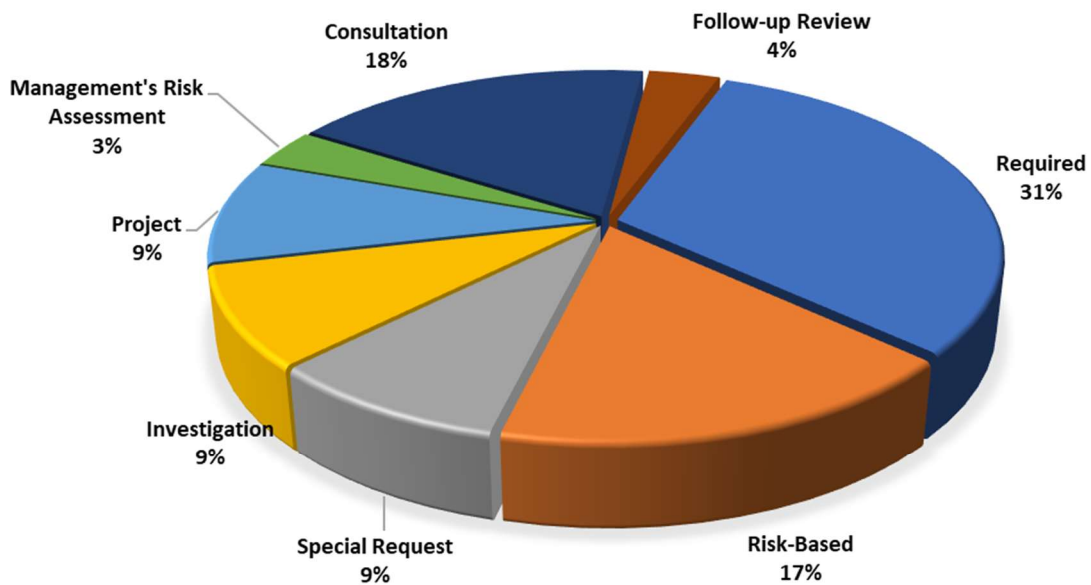
The summary schedules are followed by a Year-end Status Report for each institution and for each audit activity with the system office.

The system had vacancies for the Director of Internal Audit positions at CISCC and MSCC during Fiscal Year 2025.

### FY 2025 TOTAL AUDIT HOURS FOR COMPLETED AUDITS BY FUNCTIONAL AREA



### FY 2025 TOTAL AUDIT HOURS FOR COMPLETED AUDITS BY AUDIT TYPE



**Tennessee Board of Regents  
Planned vs. Actual Audit Hours  
Fiscal Year 2025**

<b>Institution</b>	<b>Planned Audit Hours</b>	<b>Actual Audit Hours</b>	<b>% of Planned Hours Achieved</b>
ChSCC	1,000.0	870.5	87.05%
CISCC	0.0	0.0	0.00%
CoSCC	960.0	604.0	62.92%
DSCC	1,240.0	890.5	71.81%
JSCC	210.0	197.5	94.05%
MSCC	0.0	0.0	0.00%
NaSCC	500.0	500.0	100.00%
NeSCC	1,040.0	893.0	85.87%
PSCC	1,140.0	1,140.0	100.00%
RSCC	1,035.0	887.4	85.73%
SWTCC	973.5	828.5	85.11%
VSCC	1,090.0	924.5	84.82%
WSCC	870.0	639.0	73.45%
TBR- System Office (Director)	425.0	380.0	89.41%
TBR-Investigations	1,968.8	1,968.8	100.00%
TBR-Information Systems	1,080.0	1,027.0	95.09%
TBR-TCATs	1,295.0	1,005.0	77.61%

**Notes:**

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

2- CISCC and MSCC have vacancies in the Director of Internal Audit position. JSCC had a vacancy in the Director of Internal Audit position through a majority of the fiscal year.



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

<b>Type of Audit</b>	<b>FY2025</b>	<b>FY2024</b>	<b>FY2023</b>	<b>Average</b>
Required	31%	29%	33%	31%
Risk-Based	17%	13%	3%	11%
Investigation	9%	7%	10%	9%
Consultation	18%	21%	27%	22%
Project	9%	7%	8%	8%
Follow-up Audit	3%	8%	7%	6%
Management's Risk Assessment	3%	6%	3%	4%
Special Request	9%	9%	9%	9%
Other	1%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**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. .

<b>By Functional Area</b>	<b>FY2025</b>	<b>FY2024</b>	<b>FY2023</b>	<b>Average</b>
Advancement	0%	0%	1%	0%
Athletics	13%	0%	5%	6%
Auxiliary	0%	0%	0%	0%
Financial Management	22%	30%	30%	27%
Instruction and Academic Support	4%	5%	3%	4%
Institutional Support	37%	42%	43%	41%
Information Technology	22%	22%	14%	19%
Marketing & Campus Activities	0%	0%	0%	0%
Physical Plant	0%	0%	0%	0%
Research	0%	0%	0%	0%
Student Services	1%	1%	4%	2%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**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. Several functional areas decreased due to a required audit for Athletics.

# Tennessee Board of Regents

## Summary of Investigation Activity and Intakes FY 2025

### As of June 30, 2025

#### 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	6	4	0	10
System-wide Internal Audit	21	23	15	59
Campus Internal Audit	12	1	0	13
<b>Total Complaints</b>	<b>39</b>	<b>28</b>	<b>15</b>	<b>82</b>
Referred, Duplicative, or Not Viable	24	23	15	62
Under Preliminary Review/Consultation	3	0	0	3
Designated as assistance – not an investigation	0	0	0	0
<b>Cases Opened</b>	<b>12</b>	<b>5</b>	<b>0</b>	<b>17</b>
Investigations	Community Colleges	Technology Colleges	System Office	Total
Open Cases at July 1, 2024	9	4	1	14
Cases opened from new complaints or previous preliminary review items	12	5	0	17
<b>Total Cases</b>	<b>21</b>	<b>9</b>	<b>1</b>	<b>31</b>
Under further review or referred	0	0	0	0
Cases Completed, Reports Issued	2	1	0	3
Cases Administratively Closed	5	3	0	8
<b>Open Cases at May 19, 2025</b>	<b>14</b>	<b>5</b>	<b>1</b>	<b>20</b>

**Tennessee Board of Regents  
Investigative Reports Released  
Fiscal Year 2025  
As of May 19, 2025**

<b>Institution</b>	<b>Reports Issued</b>
ChSCC	INV 2025-02 – Theft of Cafeteria Cash
DSCC	INV TBR 25-05 – Baseball Coach
TCAT Chattanooga	INV 2025-01 – High School Equivalency Documentation

**Year-End Status Reports**  
**By Institution**  
**Fiscal Year Ended June 30, 2025**

**Chattanooga State Community College**  
**Year-End Status Report**  
**Fiscal Year Ended June 30, 2025**

						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
IS	C	Management Advisory Services	5.0	100.0	85.0	-15.0	-15%	1	89.5	-4.5	Jun-25	Completed
FM	F	State Audit Assist/Follow-up	5.0	15.0	15.0	0.0	0%		11.0	4.0	Jun-25	Completed
IS	F	Follow up Reviews	5.0	75.0	60.0	-15.0	-20%	1	36.0	24.0	Jun-25	Completed
IS	I	Developing Investigations-Assist TBR	5.0	15.0	15.0	0.0	0%		6.0	9.0	Jun-25	Completed
IS	I	INV-2025-01	5.0	40.0	40.0	0.0	0%		44.0	-4.0	Dec-24	Completed
IS	I	INV-2025-02	5.0	0.0	40.0	40.0	100%	2	41.5	-1.5	Nov-24	Completed
IS	M	Enterprise Risk Assessment -FY 2025	5.0	30.0	30.0	0.0	0%		28.5	1.5	Apr-25	Completed
FM	S	YE Procedures FYE 2024	5.0	15.0	15.0	0.0	0%		12.5	2.5	Aug-24	Completed
FM	R	President's Expense Audit - Motlow	5.0	90.0	90.0	0.0	0%		95.5	-5.5	Oct-24	Completed
AT	R	Athletic Compliance	5.0	130.0	130.0	0.0	0%		127.5	2.5	May-25	Completed
IA	C	TCAT Timeclock Hours Reporting	5.0	20.0	10.0	-10.0	-50%	1	10.0	0.0	Aug-24	Completed
IS	S	Comp Time / Over Time Processes	5.0	35.0	70.0	35.0	100%	4	72.0	-2.0	Apr-25	Completed
IT	S	IAR-NACHA-2024	5.0	70.0	70.0	0.0	0%		69.5	0.5	Dec-24	Completed
IS	C	Equipment Inventory Process Changes	5.0	60.0	15.0	-45.0	-75%	3	14.5	0.5	Mar-25	Completed
IS	P	Gainful Employment Reporting Process	5.0	80.0	40.0	-40.0	-50%	1	4.0	36.0	Jun-25	Completed
IS	I	INV-2025-03	5.0	0.0	100.0	100.0	100%	2	105.0	-5.0		In Progress
IS	I	INV-2025-04	5.0	0.0	50.0	50.0	100%	2	46.5	3.5		In Progress
FM	S	YE Procedures FYE 2025	5.0	15.0	15.0	0.0	0%		14.0	1.0		In Progress
IA	S	Faculty Credentials	5.0	60.0	60.0	0.0	0%		25.5	34.5		In Progress
SS	F	Follow up to Financial Aid External Reviews	4.0	0.0	50.0	50.0	100%	1	17.5	32.5		In Progress
IS	I	Unscheduled Investigations	5.0	100.0	0.0	-100.0	-100%	2	0.0	0.0		Removed
SS	R	CCTA Element Audit	5.0	100.0	0.0	-100.0	-100%	3	0.0	0.0		Removed
<b>Total Planned Audit Hours:</b>				<b>1050.0</b>	<b>1000.0</b>	<b>-50.0</b>			<b>870.5</b>	<b>129.5</b>		

**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:**

In Progress  
Completed  
Removed

FN1 Reduced Various projects to include a Financial Aid Follow-up.  
FN2 Reduced Unscheduled Investigations hours to add specific investigative projects.  
FN3 Excess hours for completed or removed projects distributed to projects requiring additional hours.  
FN4 Added additional hours for expanded audit scope.

**Columbia State Community College**  
**Year-End Status Report**  
**Fiscal Year Ended June 30, 2025**

						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
IS	C	Management Consulting		200.0	200.0	0.0	0%		100.5	99.5	Jun-25	Completed
IS	S	Internal Audit Awareness		150.0	150.0	0.0	0%		105.5	44.5	Jun-25	Completed
FM	P	2024 Risk Assessment Review		40.0	40.0	0.0	0%		19.5	20.5	Sep-24	Completed
SS	O	Technology Access Fee		125.0	125.0	0.0	0%		118.0	7.0	Jan-25	Completed
IS	S	Unscheduled Audits/Special Requests		80.0	80.0	0.0	0%		8.0	72.0	Jun-25	Completed
IT	P	2024 Information Security Risk Assessment Review		40.0	40.0	0.0	0%		15.5	24.5	Oct-24	Completed
AT	R	Athletic Compliance Audit		130.0	185.0	55.0	42%		194.0	-9.0		In Progress
FM	R	Year End Procedures		100.0	100.0	0.0	0%		18.0	82.0		In Progress
FM	P	2025 Risk Assessment Review		40.0	40.0	0.0	0%		25.0	15.0		In Progress
SS	R	CCTA Funding Formula		100.0	0.0	-100.0	-100%	1	0.0	0.0		Removed
PP	P	Campus Security & Safety		50.0	0.0	-50.0	-100%	2	0.0	0.0		Removed
Total Planned Audit Hours:				1055.0	960.0	-95.0			604.0	356.0		
Functional Areas:			Audit Types:					Status:				
AD - Advancement			R - Required					In Progress				
AT - Athletics			A - Risk-Based (Assessed)					Completed				
AX - Auxiliary			S - Special Request					Removed				
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												
1- The decision was made by TBR to remove the required audit and rollover to the subsequent year.												
2- Due to time constraints the audit was moved to FY26. Total hours were redistributed to required audits.												

**Dyersburg State Community College**  
**Year-End Status Report**  
**Fiscal Year Ended June 30, 2025**

						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
IS	R	Risk Assessment		140.0	140.0	0.0	0%		49.5	90.5	May-25	Completed
FM	R	Year End - Cash Counts/Bank confirmations		50.0	50.0	0.0	0%		11.0	39.0	Jun-25	Completed
IS	R	SWTCC President's Expense Audit		0.0	57.5	57.5	100%	6	57.5	0.0	Oct-25	Completed
IS	I	Unscheduled Audits/Investigations		100.0	250.0	150.0	150%	1,2	108.0	142.0		In Progress
IS	C	General Consultation/Audit Assistance		150.0	300.0	150.0	100%	4	240.0	60.0		In Progress
IA	I	Inv -2025-01		0.0	292.5	292.5	100%	5,6	424.5	-132.0		In Progress
SS	R	CCTA Funding Formula		150.0	150.0	0.0	0%	7	0.0	150.0		Removed
AT	R	Athletics		150.0	0.0	-150.0	-100%	1	0.0	0.0		Removed
PP	A	Physical Safety & Security		150.0	0.0	-150.0	-100%	3	0.0	0.0		Removed
PP	A	Emergency Preparedness		150.0	0.0	-150.0	-100%	3	0.0	0.0		Removed
Total Planned Audit Hours:				1040.0	1240.0	200.0			890.5	349.5		
<div><div><div>Functional Areas:</div><div>AD - Advancement AT - Athletics AX - Auxiliary FM - Financial Management IA - Instruction &amp; Academic Support IS - Institutional Support IT - Information Technology MC - Marketing and Campus Activities PP - Physical Plant RS - Research SS - Student Services</div></div><div><div>Audit Types:</div><div>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</div></div><div><div>Status:</div><div>In Progress Completed Removed</div></div></div> <div>FN1 Athletics audit was removed. (-150) FN2 Unscheduled Audit/Investigative hours were increased by 150 to accommodate a current review. (+150) FN3 Physical Safety &amp; Security Audit and Emergency Preparedness Audit removed and will be assessed for FY2026 Audit Plan. (-150, -150) FN4 Increased General Consultation hours were needed for Police Staffing Review, Fixed Assets consultation &amp; HEERF Review (+150) FN5 150 hours from Physical Safety &amp; Security Audit and Emergency Preparedness Audit were allocated to Investigation 2025-01. (+150) FN6 Decreased revised plan hours from SWTCC's President's Expense Audit to support Inv- 2025-01. Pres Exp (-142.5) Inv-2025-01 (+142.5) FN7 CCTA Audit removed and added to the FY26 Audit Plan</div>												

**Jackson State Community College  
Year-End Status Report  
Fiscal Year Ended June 30, 2025**

						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
AT	R	Athletics		150.0	150.0	0.0	0%		187.5	-37.5	Jun-25	Completed
FM	R	Year End - Cash Counts/Bank confirmations		50.0	50.0	0.0	0%		7.0	43.0	Jun-25	Completed
IS	F	Follow-up Veterans Affairs		10.0	10.0	0.0	0%		3.0	7.0		In Progress
SS	R	CCTA Funding Formula		150.0	0.0	-150.0	-100%	1	0.0	0.0		Removed
IS	R	Risk Assessment		140.0	0.0	-140.0	-100%	2	0.0	0.0		Removed
IS	I	Unscheduled Audits/Investigations		10.0	0.0	-10.0	-100%	2	0.0	0.0		Removed
IS	C	General Consultation/Audit Assistance		10.0	0.0	-10.0	-100%	2	0.0	0.0		Removed
Total Planned Audit Hours:				520.0	210.0	-310.0			197.5	12.5		
Functional Areas:												



**Nashville State Community College  
Year-End Status Report  
Fiscal Year Ended June 30, 2025**

						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
IS	C	Internal Control Awareness	3.0	150.0	150.0	0.0	0%		150.0	0.0	Jun-25	Completed
IS	A	Grants Review	3.9	150.0	150.0	0.0	0%		150.0	0.0	Jun-25	Completed
IS	C	Consulting Activities	3.0	100.0	100.0	0.0	0%		100.0	0.0	Jun-25	Completed
IS	M	Management Risk Assessment	3.5	100.0	100.0	0.0	0%		100.0	0.0	Jun-25	Completed
IS	R	CCTA	3.4	150.0	0.0	-150.0	-100%	1	0.0	0.0		Removed
IS	A	Unscheduled Audits/Investigations	3.0	100.0	0.0	-100.0	-100%	2	0.0	0.0		Removed
FM	A	Travel Expenses	3.2	150.0	0.0	-150.0	-100%	2	0.0	0.0		Removed
PP	A	Campus Safety and Security	3.3	150.0	0.0	-150.0	-100%	2	0.0	0.0		Removed
Total Planned Audit Hours:				1050.0	500.0	-550.0			500.0	0.0		
Functional Areas:			Audit Types:					Status:				
AD - Advancement			R - Required					In Progress				
AT - Athletics			A - Risk-Based (Assessed)					Completed				
AX - Auxiliary			S - Special Request					Removed				
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												
FN1	CCTA audit brought forward to FY2026											
FN2	Audit removed due to time constraint. Auditor was taking extended family medical leaves from March through May											

**Northeast State Community College**  
**Year-End Status Report**  
**Fiscal Year Ending June 30, 2025**

							Revised to Original		FN	Planned to Actual			
Area	Type	Audit	Risk Factor	Estimated Audit Start Date	Original Hours Planned	Revised Plan	Change in Hours	Change in Percentage		Actual Hours	Variance	Completion Date	Current Status
FM	R	Walters State President Expense Audit	5.0	Aug-24	100.0	100.0	0.0	0%		104.5	-4.5	Oct-24	Completed
IS	C	Job Placement Reporting	5.0	Jul-24	100.0	200.0	100.0	100%	1	203.5	-3.5	May-25	Completed
IA	S	Attendance Reporting	5.0	Jul-24	15.0	15.0	0.0	0%		16.5	-1.5	Nov-24	Completed
FM	R	State Audit Follow-Up	5.0	Oct-24	30.0	30.0	0.0	0%		21.5	8.5	Jun-25	Completed
IS	I	Developing Investigations-Assist TBR	5.0	Jul-24	50.0	50.0	0.0	0%		7.0	43.0	Jun-25	Completed
IS	I	Unscheduled Investigations	5.0	Jul-24	50.0	50.0	0.0	0%		0.0	50.0	Jun-25	Completed
FM	R	State Audit Assistance - Year End	5.0	May-25	30.0	30.0	0.0	0%		30.0	0.0	Jun-25	Completed
IS	S	Special Requests and Projects	5.0	Jul-24	100.0	100.0	0.0	0%		94.5	5.5	Jun-25	Completed
IS	F	Other Audit Follow-Up	5.0	Jul-24	60.0	60.0	0.0	0%		0.0	60.0	Jun-25	Completed
IS	M	Risk Assessment	5.0	Jul-24	50.0	50.0	0.0	0%		50.0	0.0	Jun-25	Completed
IS	C	Management Advisory Services	5.0	Jul-24	100.0	100.0	0.0	0%		109.0	-9.0	Jun-25	Completed
IA	A	Faculty Credentials	3.6	Oct-24	55.0	100.0	45.0	82%	2	96.0	4.0		In Progress
AX	S	Food Service Contract	5.0	Jan-25	0.0	155.0	155.0	100%	2,3	160.5	-5.5		In Progress
SS	R	Complete College Tennessee Act Element	5.0	Jan-25	100.0	0.0	-100.0	-100%	3	0.0	0.0		Removed
IS	A	Grant Development	3.6	Feb-25	100.0	0.0	-100.0	-100%	1	0.0	0.0		Removed
FM	A	Student Accounts	3.4	Dec-24	100.0	0.0	-100.0	-100%	2	0.0	0.0		Removed
<b>Total Planned Audit Hours:</b>					<b>1040.0</b>	<b>1040.0</b>	<b>0.0</b>			<b>893.0</b>	<b>147.0</b>		

**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 Removed Grant Development, hours moved to Job Placement Reporting  
FN2 Removed Student Accounts, hours divided among Faculty Credentials and newly added Special Request: Food Service Contract  
FN3 Complete College Tennessee Act Element removed, hours moved to Food Service Contract

**Pellissippi State Community College**  
**Year-End Status Report**  
**Fiscal Year Ended June 30, 2025**

						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
FM	R	Year End Inventory & Cash Counts	5.0	22.5	22.5	0.0	0%		22.5	0.0	Jun-25	Completed
FM	R	Audit Follow Up	5.0	22.5	22.5	0.0	0%		22.5	0.0	Jul-24	Completed
IS	M	Risk Assessment	5.0	45.0	45.0	0.0	0%		45.0	0.0	Nov-24	Completed
IA	S	Faculty Credentials	5.0	150.0	150.0	0.0	0%		150.0	0.0	Jan-25	Completed
IA	S	Compliance Assist Review	5.0	37.5	37.5	0.0	0%		37.5	0.0	Jan-25	Completed
AD	C	Advancement Management Advisory Services	5.0	22.5	22.5	0.0	0%		22.5	0.0	Jul-24	Completed
FM	C	Finance Management Advisory Services, Consultation	5.0	45.0	45.0	0.0	0%		45.0	0.0	Jul-24	Completed
AT	R	Athletic Compliance Audit	5.0	150.0	150.0	0.0	0%		150.0	0.0	Jun-25	Completed
IS	C	Institutional Support Management Advisory Services, Consultation	5.0	75.0	75.0	0.0	0%		75.0	0.0	Jul-24	Completed
IT	C	IT Audit Management Advisory Service - Phishing Campaign & Building Security Review	5.0	112.5	112.5	0.0	0%		112.5	0.0	Jul-24	Completed
IT	C	IT Audit Management Advisory Service - PCI & ACH Review	5.0	127.5	127.5	0.0	0%		127.5	0.0	Jul-24	Completed
IT	A	IT Backup Server Audit/Disaster Recovery	4.0	150.0	150.0	0.0	0%		150.0	0.0	Oct-24	Completed
IT	A	IT Banner MAPS Server Audit	3.6	150.0	150.0	0.0	0%		150.0	0.0	Apr-25	Completed
FM	I	Investigation - Accounts Payable Batch Checks	5.0	0.0	30.0	30.0	100%	1	30.0	0.0	Apr-25	Completed
IS	R	Funding Formula	5.0	112.5	0.0	-112.5	-100%	2	0.0	0.0		Removed
IS	I	Unscheduled Investigations and Special Requests	5.0	30.0	0.0	-30.0	-100%	1	0.0	0.0		Removed
Total Planned Audit Hours:				1252.5	1140.0	-112.5			1140.0	0.0		
Functional Areas:												

**Roane State Community College**  
**Year-End Status Report**  
**Fiscal Year Ended June 30, 2025**

						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
FM	R	Year End Cash Counts	5.0	40.0	30.0	-10.0	-25%	3	28.5	1.5	Jun-25	Completed
IS	M	Enterprise Risk Assessment	5.0	45.0	30.0	-15.0	-33%	3	22.5	7.5	May-25	Completed
FM	R	CARES Act (HEERF)	5.0	75.0	70.0	-5.0	-7%		68.3	1.7	Nov-24	Completed
FM	F	State Audit Follow-up	5.0	130.0	130.0	0.0	0%		125.8	4.2	Apr-25	Completed
FM	F	IAR Audit Follow-up	5.0	95.0	75.0	-20.0	-21%	3	73.5	1.5	Apr-25	Completed
IS	C	Management Advisory Services	5.0	122.0	110.0	-12.0	-10%		109.0	1.0	Jun-25	Completed
IS	A	Sick Leave Bank	4.3	30.0	30.0	0.0	0%		10.0	20.0		In Progress
IS	A	Student Tuition	5.0	75.0	15.0	-60.0	-80%	3	15.0	0.0		In Progress
IA	R	Release Time/Workload IAR Follow-up	4.5	45.0	30.0	-15.0	-33%	3	15.0	15.0		In Progress
FM	S	Adjuncts Having More than 1 Position at RSCC	4.5	40.0	40.0	0.0	0%		5.0	35.0		In Progress
FM	I	INV 22-01	5.0	15.0	50.0	35.0	233%	2	46.5	3.5		In Progress
FM	I	INV 23-01	5.0	50.0	175.0	125.0	250%	2	162.0	13.0		In Progress
FM	I	INV 23-02	5.0	13.0	60.0	47.0	362%	1	57.3	2.8		In Progress
AT	R	Athletics	5.0	120.0	165.0	45.0	38%	3	149.0	16.0		In Progress
FM	I	Unscheduled Investigations	5.0	75.0	25.0	-50.0	-67%	3	0.0	25.0		Removed
IA	S	Nursing Program Review	4.9	30.0	0.0	-30.0	-100%	4	0.0	0.0		Removed
AX	S	Foundation - Restricted Funds	4.7	50.0	0.0	-50.0	-100%	3	0.0	0.0		Removed
Total Planned Audit Hours:				1050.0	1035.0	-15.0			887.4	147.7		
Functional Areas:			Audit Types:					Status:				
AD - Advancement			R - Required					In Progress				
AT - Athletics			A - Risk-Based (Assessed)					Completed				
AX - Auxiliary			S - Special Request					Removed				
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												
1 Report edits have taken longer than anticipated. 2 Investigation taking longer than anticipated. 3 Hours reallocated due to change in time estimate. 4 Issues were not related to items for Internal Audit to review.												

**Southwest Tennessee Community College**  
**Year-End Status Report**  
**Fiscal Year Ended June 30, 2025**

						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
FM	A	PCard Expense	2.2	100.0	120.0	20.0	20%		120.0	0.0	Aug-24	Completed
IA	A	Clery Act- Campus Security	1.8	100.0	130.5	30.5	31%		134.5	-4.0	Oct-24	Completed
AT	A	Athletics Audit	3.6	100.0	150.0	50.0	50%		148.0	2.0	Dec-24	Completed
IT	A	GLBA - IT General Controls	1.7	120.0	222.5	102.5	85%		227.0	-4.5	Mar-25	Completed
FM	A	Cash Count	3.3	36.0	10.5	-25.5	-71%		10.5	0.0	Jul-25	Completed
F	F	Follow Up Audits	3.0	120.0	100.0	-20.0	-17%		37.0	63.0	May-25	Completed
FM	R	Fixed Assets	2.3	120.0	120.0	0.0	0%		24.5	95.5		In Progress
SS	A	Student Complaints Policy	2.0	0.0	120.0	120.0	100%		127.0	-7.0		In Progress
FM	R	President's Expense Audit	4.3	120.0	0.0	0.0	0%	1	0.0	0.0		Removed
R	A	Grant Audit	3.5	120.0	0.0	-120.0	-100%	2	0.0	0.0		Removed
FM	A	A/R Collections Fees & Write-offs	3.0	120.0	0.0	-120.0	-100%	2	0.0	0.0		Removed
I	I	Investigations	4.8	120.0	0.0	-120.0	-100%	2	0.0	0.0		Removed
M	M	Management Requests	3.4	120.0	0.0	-120.0	-100%	2	0.0	0.0		Removed
<b>Total Planned Audit Hours:</b>				<b>1296.0</b>	<b>973.5</b>	<b>-322.5</b>			<b>828.5</b>	<b>145.0</b>		

**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:**

In Progress  
 Completed  
 Removed

FN1 Southwest Internal Audit was not selected to complete a Presiden'ts Expense Audit  
 FN2 Other audits took priority

**Volunteer State Community College  
Year-End Status Report  
Fiscal Year Ended June 30, 2025**

						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
AT	R	Athletics	7.2	175.0	300.0	125.0	71%		310.0	-10.0	May-25	Completed
FM	R	President's Expense	5	175.0	225.0	50.0	29%		226.5	-1.5	Oct-24	Completed
IS	P	IIA QAIP	5	75.0	225.0	150.0	200%		206.0	19.0	Jun-25	Completed
IS	M	Management Risk Assessment	5	100.0	100.0	0.0	0%		51.0	49.0	May-25	Completed
FM	R	State Audit Year-End Work	5	40.0	40.0	0.0	0%		18.5	21.5	Jun-25	Completed
IS	F	Follow-Up Activities	5	50.0	50.0	0.0	0%		20.0	30.0	Jun-25	Completed
IS	C	General Consultation	5	100.0	100.0	0.0	0%		33.5	66.5	Jun-25	Completed
SS	I	Investigation VSCC INV 25-01	5	50.0	50.0	0.0	0%	2	59.0	-9.0		In Progress
SS	R	CCTA Funding Formula Outcome	8	175.0	0.0	-175.0	-100%	1	0.0	0.0		Removed
<b>Total Planned Audit Hours:</b>				<b>940.0</b>	<b>1090.0</b>	<b>150.0</b>			<b>924.5</b>	<b>165.5</b>		

**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:**

In Progress  
Completed  
Removed

Footnote 1: The CCTA Funding Formula audit was not assigned by TBR in fiscal year 2025.

Footnote 2: Unscheduled Investigations was updated to VSCC INV 25-01 in June 2025. The Functional Area was changed from Institutional Support (IS) to Student Services (SS).

Walters State Community College  
Year-End Status Report  
Fiscal Year Ending June 30, 2025  
Revised July 2025

							Revised to Original		FN	Planned to Actual			
Area	Type	Audit	Risk Factor	Estimated Audit Start Date	Original Hours Planned	Revised Plan	Change in Hours	Change in Percentage		Actual Hours	Variance	Completion Date	Current Status
FM	S	YE Procedures FYE 2024	5.0	24-Jul	22.5	22.5	0.0	0%		22.5	0.0	Jul-24	Completed
IT	S	IAR-NACHA	5.0	24-Oct	120	120	0.0	0%		105	15.0	Feb-25	Completed
IS	C	Management Advisory Services/Consulting	5.0	Jul-24	50	50	0.0	0%		45	5.0	Jun-25	Completed
IS	S	Unscheduled Investigations	5.0	24-Jul	97.5	97.5	0.0	0%		50.5	47.0	Jun-25	Completed
FM	C	Business Continuity Planning	5.0	23-Jul	330	380	50.0	15%	3	303.5	76.5		In Progress
AT	S	WSCC Athletics Compliance	5.0	25-Mar	95	200	105.0	111%	5	112.5	87.5		In Progress
FM	F	State Audit Assist/Follow-up	5.0	24-Sep	22.5	0	-22.5	-100%	1	0	0.0		Removed
SS	R	IAR-CCTA-T/B/A	5.0	25-Jan	50	0	-50.0	-100%	2	0	0.0		Removed
FM	P	Documentation of Workforce Training Operating Systems	5.0	24-Jul	82.5	0	-82.5	-100%	4	0	0.0		Removed
FM	R	WSCC Enterprise-wide Risk Assessment	5.0	25-May	22.5	0	-22.5	-100%	6	0	0.0		Removed
IS	M	WSCC IET and Fin Aid Risk Assessments	5.0	25-May	45	0	-45.0	-100%	6	0	0.0		Removed
FM	S	YE Procedures FYE 2025	5.0	25-Jun	22.5	0	-22.5	-100%	6	0	0.0		Removed
IA	C	Faculty Workload Reports	4.8	25-May	45	0	-45.0	-100%	6	0	0.0		Removed
IA	C	Department Chair Compensation Methodoloy	4.8	25-May	45	0	-45.0	-100%	6	0	0.0		Removed
Total Planned Audit Hours:					1050.0	870.0	-180.0			639.0	231.0		
Functional Areas:				Audit Types:				Status:					
AD - Advancement				R - Required				Scheduled					
AT - Athletics				A - Risk-Based (Assessed)				In Progress					
AX - Auxiliary				S - Special Request				Completed					
FM - Financial Management				I - Investigation				Removed					
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													
1 - Unnecessary due to lack of findings													
2 - Moved to FY 26 by TBR SWIA													
3 - Expanded scope to include Kualu Ready Sandbox Practice Model and Kualu Ready Next Generation Production Model													
4 - Determined to no longer be necessary after initial system assessment and subsequent change in WFT personnel													
5 - Expanded scope due to revised estimate for first-time audit													
6- Removed due to auditor retirement.													

**Tennessee Board of Regents-System Office  
Year-End Status Report  
Fiscal Year Ended June 30, 2025**

						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
FM	R	Pres Exp Audit-ChSCC		150.0	79.0	-71.0	-47%		79.0	0.0	Oct-24	Completed
FM	R	HEERF-JSCC		10.0	6.0	-4.0	-40%		6.0	0.0	Jul-24	Completed
FM	R	HEERF-MSCC		125.0	75.0	-50.0	-40%		75.0	0.0	Nov-24	Completed
FM	R	HEERF-DSCC		50.0	165.0	115.0	230%		156.5	8.5		In Progress
IS	P	TBR Website Content Review		25.0	25.0	0.0	0%		7.5	17.5		In Progress
IS	C	General Consultation		100.0	50.0	-50.0	-50%	1	46.0	4.0		In Progress
FM	A	Review of Travel Claims		50.0	25.0	-25.0	-50%		10.0	15.0		In Progress
FM	S	TN eCampus		150.0	0.0	-150.0	-100%	1	0.0	0.0		Removed
IS	C	Unscheduled Audits/Audit Assist		100.0	0.0	-100.0	-100%	1	0.0	0.0		Removed
<b>Total Planned Audit Hours:</b>				<b>760.0</b>	<b>425.0</b>	<b>-335.0</b>			<b>380.0</b>	<b>45.0</b>		

**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:**

In Progress  
 Completed  
 Removed

FN1-Audit hours reduced to reflect increase in admin duties.



**TBR Investigations  
Year-End Status Report  
Fiscal Year Ended June 30, 2025**

						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
IS	C	Consultation with Campus Auditors		125.0	200.0	75.0	60%		200.0	0.0	Jun-25	Completed
IS	P	Investigation Management		260.0	293.5	33.5	13%		293.5	0.0	Jun-25	Completed
IS	I	INV TBR 24-06		75.0	174.0	99.0	132%		174.0	0.0	Sep-24	Completed
IS	I	INV TBR 25-01		0.0	36.5	36.5	100%		36.5	0.0	Sep-24	Completed
IS	I	INV TBR 25-02		0.0	231.0	231.0	100%		231.0	0.0	Feb-25	Completed
IS	I	INV TBR 25-04		0.0	9.5	9.5	100%		9.5	0.0	Feb-25	Completed
AT	I	INV TBR 25-05		0.0	178.0	178.0	100%		178.0	0.0	May-25	Completed
IS	I	INV TBR 23-06		500.0	626.3	126.3	25%		626.3	0.0		In Progress
PP	I	INV TBR 25-03		0.0	97.5	97.5	100%		97.5	0.0		In Progress
AT	I	INV TBR 25-06		0.0	53.0	53.0	100%		53.0	0.0		In Progress
FM	I	INV TBR 25-07		0.0	43.0	43.0	100%		43.0	0.0		In Progress
IS	I	INV TBR 25-08		0.0	26.5	26.5	100%		26.5	0.0		In Progress
PP	I	INV TBR 21-05		40.0	0.0	-40.0	-100%	1	0.0	0.0		Removed
IA	I	INV TBR 23-03		37.5	0.0	-37.5	-100%	1	0.0	0.0		Removed
FM	I	INV TBR 23-07		150.0	0.0	-150.0	-100%		0.0	0.0		Removed
FM	I	INV TBR 24-03		150.0	0.0	-150.0	-100%		0.0	0.0		Removed
AT	I	INV TBR 24-04		37.5	0.0	-37.5	-100%		0.0	0.0		Removed
FM	I	Unscheduled Investigations		500.0	0.0	-500.0	-100%			0.0		Removed
MC	I	INV TBR 23-08		75.0	0.0	-75.0	-100%		0.0	0.0		Removed
<b>Total Planned Audit Hours:</b>				<b>1950.0</b>	<b>1968.8</b>	<b>18.8</b>			<b>1968.8</b>	<b>0.0</b>		

**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 - Administrative Closing Memo pending

**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:**

In Progress  
Completed  
Removed

**TBR - Information Systems  
Year-End Status Report  
Fiscal Year Ended June 30, 2025**

						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
IT	R	DSCC Information Security	5	150	150	0.0	0%		140.5	9.5	Dec-25	Completed
IT	R	NaSCC Information Security	5	150	180	30.0	20%		167	13.0	Oct-25	Completed
IT	R	WSCC Information Security	5	150	150	0.0	0%		84.5	65.5	Jul-25	Completed
IT	R	TCAT-Memphis	5	75	75	0.0	0%		108	-33.0	Jan-25	Completed
IT	R	TCAT-Crump	5	75	75	0.0	0%		81	-6.0	Feb-25	Completed
IT	R	VSCC Information Security	5	150	150	0.0	0%		201	-51.0	Jun-25	Completed
IT	R	RSCC Information Security	5	150	150	0.0	0%		202	-52.0	May-25	Completed
IT	R	NeSCC Information Security	5	150	150	0.0	0%		43	107.0		In Progress
<b>Total Planned Audit Hours:</b>				<b>1050.0</b>	<b>1080.0</b>	<b>30.0</b>			<b>1027.0</b>	<b>53.0</b>		

**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:**

In Progress  
 Completed  
 Removed

TCAT Year-End Status Report Fiscal Year Ended June 30, 2025												
						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
FM	P	Consultation	NA	50.0	150.0	100.0	200%		150.0	0.0	Jun-25	Completed
FM	P	Audit Program	NA	25.0	50.0	25.0	100%		50.0	0.0	Jun-25	Completed
FM	P	Risk Assessment	NA	37.5	50.0	12.5	33%		50.0	0.0	Jan-25	Completed
FM	A	TCAT Hartsville Controls Review	2.6	37.5	37.5	0.0	0%		35.0	2.5	Feb-25	Completed
FM	A	TCAT Northwest Controls Review	3.0	5.0	5.0	0.0	0%		10.0	-5.0	Feb-25	Completed
FM	A	TCAT Knoxville Controls Review	3.8	125.0	125.0	0.0	0%		122.5	2.5	Nov-24	Completed
FM	A	TCAT Memphis Controls Review	3.9	5.0	80.0	75.0	1500%	FN2	75.0	5.0	May-25	Completed
FM	A	TCAT Morristown Controls Review	4.0	125.0	125.0	0.0	0%		125.0	0.0	Feb-25	Completed
FM	A	TCAT Jacksboro Controls Review	2.2	75.0	75.0	0.0	0%		37.5	37.5		In Progress
FM	A	TCAT Hohenwald Controls Review	2.6	75.0	100.0	25.0	33%	FN1	100.0	0.0		In Progress
FM	A	TCAT Harriman Controls Review	2.9	125.0	125.0	0.0	0%	FN1	150.0	-25.0		In Progress
FM	A	TCAT Elizabethton Controls Review	3.2	10.0	37.5	27.5	275%	FN3	37.5	0.0		In Progress
FM	A	TCAT Pulaski Controls Review	2.6	75.0	60.0	-15.0	-20%		25.0	35.0		In Progress
FM	A	TCAT McMinnville Controls Review	3.1	75.0	75.0	0.0	0%		7.5	67.5		In Progress
FM	A	TCAT Henry/Carroll Controls Review	3.2	125.0	100.0	-25.0	-20%		15.0	85.0		In Progress
FM	A	TCAT Jackson Controls Review	3.6	125.0	100.0	-25.0	-20%		15.0	85.0		In Progress
FM	A	TCAT Athens Controls Review	2.3	75.0	0.0	-75.0	-100%		0.0	0.0		Removed
FM	A	TCAT Murfreesboro Controls Review	3.9	125.0	0.0	-125.0	-100%		0.0	0.0		Removed
Total Planned Audit Hours:				1295.0	1295.0	0.0			1005.0	290.0		
<div><div>Functional Areas:</div><div>Audit Types:</div><div>Status:</div></div> <div>AD - Advancement AT - Athletics AX - Auxiliary FM - Financial Management IA - Instruction &amp; Academic Support IS - Institutional Support IT - Information Technology MC - Marketing and Campus Activities PP - Physical Plant RS - Research SS - Student Services</div> <div>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</div> <div>In Progress Completed Removed</div> <div>FN1    This audit is in review. FN2    This audit had many issues and a new report format which required more preparation time. FN3    This audit had many issues and a change of President requiring more preparation time.</div>												

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BOARD TRANSMITTAL

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MEETING: Committee on Audit

SUBJECT: Review of Fiscal Year 2026 Internal Audit Plans

DATE: August 26, 2025

PRESENTER: Mike Batson

ACTION REQUIRED: Roll Call Vote

STAFF'S  
RECOMMENDATION: Approve

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The committee will review and consider for approval internal audits planned for the system institutions for Fiscal Year 2026 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:

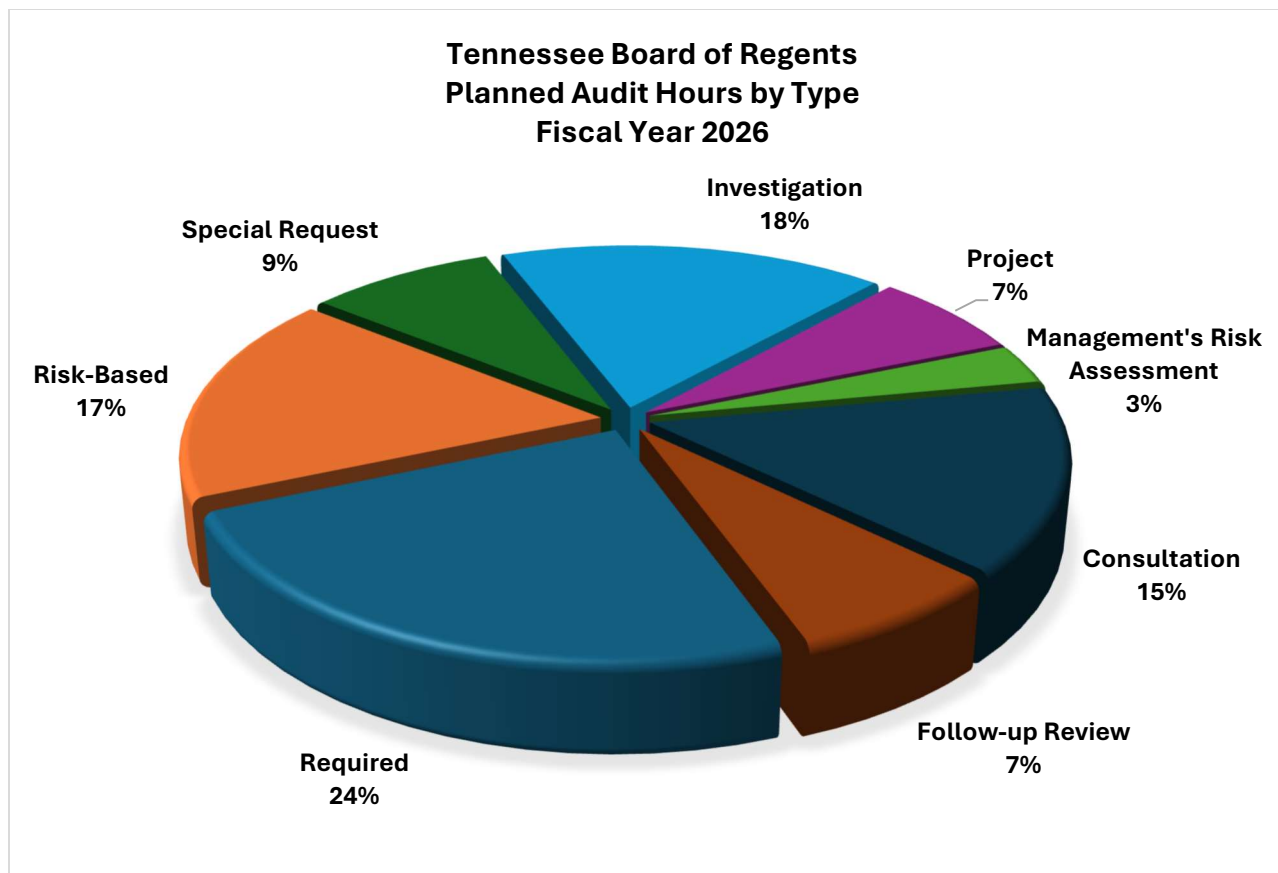
- Required (by law, policy, or other authority)
- Management's Risk Assessment (review of process and conclusions)
- Follow-up Review (of State Audit or Internal Audit findings)
- Special Request (audit requested by Board or management)
- Project (such as periodic review of purchasing card activity)
- 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 Audit Type  
Planned Audits by Major Functional Area

Internal Audit plans for ClSCC, MSCC, and WSCC are not included due to position vacancies. These plans will be presented at the meeting immediately following the filling of positions.

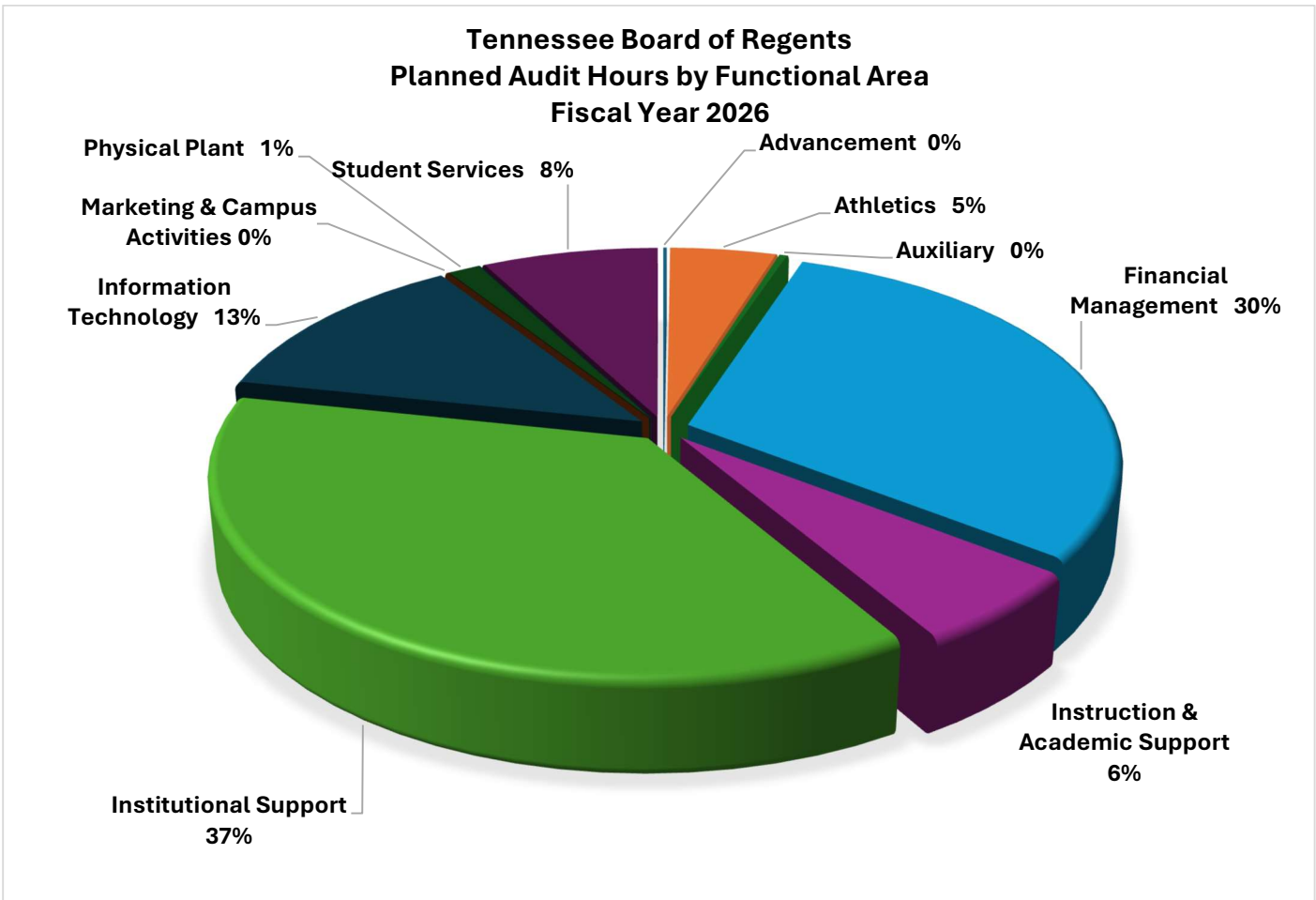


**Highlights:**

*Required* audits are those determined by statutes, the system office or others. These audits frequently have a system-wide focus. There is a 3% decrease in planned required audits for the year.

*Risk-based audits* are determined through a risk analysis process. There is a 5% decrease in planned risk-based audits for the year.

Other categories are consistent with previous years.



**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.

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

	<u><b>Planned Audits</b></u>		<u><b>Planned Audit Hours</b></u>	
Community Colleges	117	75%	10,158	67.9%
SWIA (INV, IS, IA)	26	16.7%	3,560	23.8%
TCATS	13	8.3%	1,250	8.3%
	<hr/>		<hr/>	
	156		14,968	

**Internal Audit Plans**  
**By Institution**  
**Fiscal Year Ending June 30, 2026**



<b>Chattanooga State Community College</b> <b>Internal Audit Plan</b> <b>Fiscal Year Ending June 30, 2026</b>					
<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
5.0	Management Advisory Services	IS	C	90.0	Jul-25
5.0	State Audit Assist/Follow-up	FM	F	75.0	Jul-25
5.0	Follow up Reviews	IS	F	75.0	Jul-25
5.0	Unscheduled Investigations	IS	I	100.0	Jul-25
5.0	Developing Investigations-Assist TBR	IS	I	15.0	Jul-25
5.0	INV-2025-03	IS	I	20.0	Jul-25
5.0	INV-2025-04	IS	I	15.0	Jul-25
5.0	Enterprise Risk Assessment -FY 2025	IS	M	25.0	Apr-26
5.0	YE Procedures FYE 2025	FM	S	10.0	Jun-25
5.0	YE Procedures FYE 2026	FM	S	15.0	Jun-26
5.0	President's Expense Audit	FM	R	90.0	Sep-25
5.0	CCTA Element Audit	SS	R	100.0	Jan-25
5.0	Athletics	AT	R	100.0	Mar-26
5.0	Follow up to Financial Aid External Reviews	SS	F	40.0	Jun-25
5.0	Faculty Credentials 2024	IA	S	40.0	Jun-25
5.0	IAR-NACHA-2025	IT	S	70.0	Nov-25
5.0	Faculty Credentials 2025	IA	S	60.0	May-26
5.0	Human Resource Compliance	IS	S	70.0	Feb-26
5.0	Federal Language Compliance	IS	S	40.0	Oct-25
<b>Total:</b>				<b>1050.0</b>	
<div> <div> <b>Functional Areas:</b>  AD - Advancement  AT - Athletics  AX - Auxiliary  FM - Financial Management  IA - Instruction &amp; Academic Support  IS - Institutional Support  IT - Information Technology  MC - Marketing and Campus Activities  PP - Physical Plant  RS - Research  SS - Student Services </div> <div> <b>Audit Types:</b>  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 </div> </div>					

**Columbia State Community College  
Internal Audit Plan  
Fiscal Year Ending June 30, 2026**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
5.0	2025 Year End Procedures	FM	P	50.0	In Progress
5.0	2026 Year End Procedures	FM	P	50.0	Jun-26
5.0	President's Expense Audit - NASCC	FM	R	175.0	Oct-25
2.2	Campus Safety and Security	PP	P	120.0	Sep-25
5.0	Engagement Follow-up/Monitoring	AT	F	50.0	Mar-25
5.0	Management Consulting	IS	C	150.0	Jul-25
3.0	Internal Audit Awareness	IS	S	125.0	As needed
5.0	Payment Card Industry Data Security Standard (PCI-DSS)	FM	C	125.0	Jan-26
5.0	Financial Aid Review	IS	C	75.0	TBA
5.0	Complete College Tennessee Act (CCTA)	SS	R	100.0	Mar-26
5.0	2026 Risk Assessment Review	FM	P	40.0	TBA
5.0	2025 Information Security Risk Assessment Review	IT	P	40.0	Jul-25
5.0	Unscheduled Audits/Special Requests	IS	S	80.0	As needed

**Total: 1180.0**

**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

**Dyersburg State Community College  
Internal Audit Plan  
Fiscal Year Ending June 30, 2026**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
5.0	CCTA Funding Formula	SS	R	150.0	Jan-26
5.0	Risk Assessment	IS	R	100.0	Feb-26
5.0	Year End - Cash Counts/Federal Audit Letter	FM	R	50.0	Jun-26
5.0	Unscheduled Audits/Investigations	IS	I	125.0	Jul-25
5.0	General Consultation/Audit Assistance	IS	C	125.0	Jul-25
5.0	General Consultation - Athletic Travel Review	AT	F	100.0	Sep-25
5.0	General Consultation -State Mgt Letter Items - LOU	IT	F	150.0	Feb-26
5.0	Inv -2025-01	IA	I	250.0	Oct-24
<b>Total:</b>				<b>1050.0</b>	

**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, 2026**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
5.0	CCTA Funding Formula	SS	R	180.0	Jan-26
5.0	Risk Assessment	IS	R	140.0	Feb-26
5.0	Athletics Fundraising Investigation	AT	I	100.0	Jul-25
5.0	Year End - Cash Counts/Bank confirmations	FM	R	50.0	Jun-26
5.0	Unscheduled Audits/Investigations	IS	I	100.0	Jul-25
5.0	General Consultation/Audit Assistance	IS	C	150.0	Jul-25
5.0	Follow-up Veterans Affairs	SS	F	75.0	Sep-25
5.0	Follow-up Athletics	AT	F	75.0	Dec-25
3.8	Data Security	IT	A	180.0	Aug-25
<b>Total:</b>				<b>1050.0</b>	

**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, 2026**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
3.0	Internal Control Awareness	IS	C	100.0	Jan-26
3.4	CCTA	IS	R	150.0	Jan-26
3.0	Consulting Activities	IS	C	100.0	As Needed
3.5	Management Risk Assessment	IS	M	100.0	Mar-26
3.2	President's Expense Audit	IS	R	150.0	Aug-25

**Total: 600.0**

**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

Note: Auditor will be on extended leave during the fiscal year.

**Northeast State Community College  
Internal Audit Plan  
Fiscal Year Ending June 30, 2026**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
5.0	Complete College Tennessee Act Element	SS	R	100.0	Mar-26
5.0	Food Service Contract	AX	S	50.0	Jul-25
5.0	Faculty Credentials	IA	A	50.0	Jul-25
5.0	Job Placement Reporting II	IS	C	100.0	Jul-25
3.7	Accounts Payable	FM	A	100.0	Jan-26
3.5	Admissions and Registration	SS	A	100.0	Nov-25
3.4	Student Accounts	FM	A	100.0	Sep-25
5.0	Developing Investigations-Assist TBR	IS	I	50.0	Jul-25
5.0	Unscheduled Investigations	IS	I	50.0	Jul-25
5.0	State Audit Assistance - Year End	FM	R	30.0	May-26
5.0	Special Requests and Projects	IS	S	100.0	Jul-25
5.0	Other Audit Follow-Up	IS	F	60.0	Jul-25
5.0	Risk Assessment	IS	M	50.0	Jul-25
5.0	Management Advisory Services	IS	C	100.0	Jul-25

**Total: 1040.0**

**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

**Pellissippi State Community College  
Internal Audit Plan  
Fiscal Year Ending June 30, 2026**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
5.0	Year End Inventory & Cash Counts	FM	R	22.5	Jun-26
5.0	Audit Follow Up	FM	R	22.5	Jul-25
5.0	Funding Formula	IS	R	112.5	Feb-26
5.0	Risk Assessment	IS	M	45.0	Mar-26
5.0	Faculty Credentials	IA	S	150.0	Oct-25
5.0	Compliance Assist Review	IA	S	37.5	Jan-26
5.0	Advancement Management Advisory Services	AD	C	22.5	Jul-25
5.0	Finance Management Advisory Services, Consultation	FM	C	45.0	Jul-25
5.0	Institutional Support Management Advisory Services, Consultation	IS	C	75.0	Jul-25
5.0	IT Audit Management Advisory Service - Phishing Campaign & Building Security	IT	C	112.5	Jul-25
5.0	Unscheduled Investigations and Special Requests	IS	I	30.0	Jul-25
5.0	IT Audit Management Advisory Service - PCI & ACH Review	IT	C	127.5	Jul-25
3.7	Purchasing/Purcurement Audit	FM	A	150.0	Apr-25
3.7	Ellucian/Banner System Access Control Audit	IT	A	150.0	Sep-25

**Total: 1102.5**

**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

Roane State Community College Internal Audit Plan Fiscal Year Ending June 30, 2026					
Risk	Audit	Area	Type	Hours Planned	Audit Start Date
5.0	Year End Cash Counts	FM	R	40.0	May-26
5.0	Enterprise Risk Assessment	IS	M	45.0	Mar-26
5.0	Funding Formula	FM	R	75.0	Mar-26
4.3	Sick Leave Bank	IS	A	50.0	Oct-25
5.0	State Audit Follow-up	FM	F	130.0	Jan-26
5.0	IAR Audit Follow-up	FM	F	95.0	Jul-25
5.0	Unscheduled Investigations	FM	I	75.0	Jul-25
5.0	Management Advisory Services	IS	C	110.0	Jul-25
5.0	Athletics	AT	R	120.0	Oct-25
5.0	President's Expense Audit	IA	S	60.0	Aug-25
5.0	Student Tuition	IS	A	75.0	Nov-25
4.5	Release Time/Workload IAR Follow-up	IA	F	45.0	Feb-26
4.5	Adjuncts Having More than 1 Position at RS	FM	S	40.0	Nov-25
5.0	INV 22-01	FM	I	15.0	Jul-25
5.0	INV 23-01	FM	I	50.0	Jul-25
5.0	INV 23-02	FM	I	15.0	Jul-25
Total:				1040.0	
<div><div>Functional Areas:</div><div>Audit Types:</div></div>					
<div><div>AD - Advancement</div><div>R - Required</div></div>					
<div><div>AT - Athletics</div><div>A - Risk-Based (Assessed)</div></div>					
<div><div>AX - Auxiliary</div><div>S - Special Request</div></div>					
<div><div>FM - Financial Management</div><div>I - Investigation</div></div>					
<div><div>IA - Instruction &amp; Academic Support</div><div>P - Project (Ongoing or Recurring)</div></div>					
<div><div>IS - Institutional Support</div><div>M - Management's Risk Assessment</div></div>					
<div><div>IT - Information Technology</div><div>C - Consultation</div></div>					
<div><div>MC - Marketing and Campus Activities</div><div>F - Follow-up Review</div></div>					
<div><div>PP - Physical Plant</div><div>O - Other</div></div>					
<div><div>RS - Research</div></div>					
<div><div>SS - Student Services</div></div>					



**Southwest Tennessee Community College  
Internal Audit Plan  
Fiscal Year Ending June 30, 2026**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
3.0	CCTA - Funding Formula	SS	R	120.0	5/4/2026
2.6	President's Expense Audit	FM	R	120.0	9/8/2025
3.0	A/R Collections Fees & Write-offs	FM	A	120.0	3/30/2026
2.5	Risk Assessment	IS	M	120.0	2/20/2026
3.0	Record Retention	IS	A	120.0	10/6/2025
3.0	Food Services Inventory	IS	S	120.0	6/1/2026
5.0	Investigations	IS	I	90.0	7/16/2025
5.0	Management Requests	IS	S	90.0	As needed
5.0	Follow Up Audits	FM	F	60.0	As needed
5.0	Unplanned Audits	IS	O	90.0	As needed

**Total: 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

**Volunteer State Community College  
Internal Audit Plan  
Fiscal Year Ending June 30, 2026**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
8.1	CCTA Funding Formula	SS	R	185.0	Mar-26
5.0	State Audit Year-End Work	FM	R	40.0	May-26
5.0	Follow-Up Activities	IS	F	50.0	Jul-25
5.0	General Consultation	IS	C	100.0	Jul-25
5.0	Management Risk Assessment	IS	M	100.0	Jan-26
5.0	Unscheduled Investigations	IS	I	50.0	Jul-25
5.0	IIA QAIP	IS	P	100.0	Jul-25
3.8	Equipment	FM	A	185.0	Aug-25
2.8	Credentials	IA	A	185.0	Nov-25

**Total: 995.0**

**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

**Tennessee Board of Regents-System Office  
Internal Audit Plan  
Fiscal Year Ending June 30, 2026**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
5.0	HEERF-DSCC	FM	R	10.0	Jul-24
5.0	TN eCampus	FM	S	100.0	Dec-25
5.0	TBR Website Content Review	IS	P	50.0	Aug-25
5.0	Unscheduled Audits/Audit Assist	IS	C	200.0	As Needed
5.0	General Consultation	IS	C	150.0	As Needed
5.0	Review of Travel Claims	FM	P	50.0	Jul-24

**Total: 560.0**

**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

**Tennessee Board of Regents - Investigations  
Internal Audit Plan  
Fiscal Year Ending June 30, 2026**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
	Consultation with Campus Auditors	IS	C	200.0	Jul-25
	Investigation Management	IS	P	300.0	Jul-25
	Unscheduled Investigations	FM	I	500.0	Jul-25
	INV TBR 21-05	PP	I	15.0	FN1
	INV TBR 23-03	IA	I	15.0	FN1
	INV TBR 23-06	IS	I	300.0	Jan-23
	INV TBR 23-07	FM	I	230.0	Mar-23
	INV TBR 24-03	FM	I	75.0	Aug-23
	INV TBR 24-04	AT	I	75.0	Jan-24
	INV TBR 25-03	PP	I	75.0	Dec-24
	INV TBR 25-06	AT	I	75.0	May-25
	INV TBR 25-07	FM	I	75.0	Apr-25
	INV TBR 25-08	IS	I	15.0	May-25
<b>Total:</b>				<b>1950.0</b>	

**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-Administrative Closing Memo Pending

**TBR Information Systems  
Internal Audit Plan  
Fiscal Year Ending June 30, 2025**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
5	DSCC Information Systems	IT	R	150	Jul-24
5	NaSCC Information Security	IT	R	150	Mar-24
5	WSCC Information Security	IT	R	150	Apr-24
5	RSCC Information Systems	IT	R	150	Oct-24
5	VSCC Information Security	IT	R	150	Jan-25
5	RSCC Information Security	IT	R	150	Mar-25
5	NeSCC Information Security	IT	R	150	May-25

**Total: 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, 2026**

<b>Risk</b>	<b>Audit</b>	<b>Area</b>	<b>Type</b>	<b>Hours Planned</b>	<b>Audit Start Date</b>
NA	Consultation	FM	P	100.0	Jul-25
NA	Audit Program	FM	P	50.0	Jul-25
NA	Risk Assessment	FM	P	100.0	Sep-25
2.2	TCAT Jacksboro Controls Review	FM	A	125.0	Aug-25
2.3	TCAT Athens Controls Review	FM	A	125.0	Sep-25
2.6	TCAT Hohenwald Controls Review	FM	A	25.0	Jul-25
2.6	TCAT Pulaski Controls Review	FM	A	125.0	Apr-25
2.9	TCAT Harriman Controls Review	FM	A	25.0	Jul-25
3.1	TCAT McMinnville Controls Review	FM	A	125.0	Feb-26
3.2	TCAT Elizabethton Controls Review	FM	A	75.0	Nov-25
3.2	Henry/Carroll Controls Review	FM	A	125.0	Oct-25
3.6	TCAT Jackson Controls Review	FM	A	125.0	Jan-25
3.9	TCAT Murfreesboro Controls Review	FM	A	125.0	Mar-26

**Total: 1250.0**

**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

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BOARD TRANSMITTAL

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MEETING: Committee on Audit

SUBJECT: Review of Internal Audit Charters

DATE: August 26, 2025

PRESENTER: Mike Batson

ACTION REQUIRED: Roll Call Vote

STAFF'S  
RECOMMENDATION: Approve

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The TBR system's college internal audit offices develop internal audit charters which are formal documents that include the internal audit function's mandate, organizational position, reporting relationships, scope of work, types of services, and specifications. In accordance with the Institute of Internal Auditors' Global Internal Audit Standards, which states in Standard 6.2- Internal Audit Charter:

The chief audit executive must develop and maintain an internal audit charter that specifies, at a minimum, the internal audit function's:

- Purpose of Internal Auditing
- Commitment to adhering to the Global Internal Audit Standards
- Mandate, including scope and types of services to be provided, and the board's responsibilities and expectations regarding management's support of the internal audit function.
- Organizational position and reporting relationships

An annual review of the charter template is performed by the office of System-wide Internal Audit and 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 changes in the internal audit charter template which was approved at the February 18, 2025, Audit Committee meeting.

## **Northeast State Community College Internal Audit Charter**

### **Introduction**

Northeast State Community College (the 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.

### **Purpose**

The purpose of the internal audit function is to strengthen Northeast State Community College's ability to create, protect, and sustain value by providing the Board and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The internal audit function enhances Northeast State Community College's:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

Northeast State Community College's internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with The IIA's Global Internal Audit Standards<sup>TM</sup>, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the Board.
- Internal auditors are free from undue influence and committed to making objective assessments.

### ***Commitment to Adhering to the Global Internal Audit Standards***

The Northeast State Community College's internal audit function will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. The System-wide Chief Audit Executive will report annually to the Audit Committee and senior management regarding the internal audit function's conformance with the Standards, which will be assessed through a quality assurance and improvement program.



## **Mandate**

### ***Authority***

In accordance with the T.C.A. Higher Education Accountability Act of 2004 (Tenn. Code Ann. § 49-14-101) and the T.C.A. Audit Committee Act of 2005 (Tenn. Code Ann. § 4-35-102), the Board created an Audit Committee and a System-wide Chief Audit Executive. The System-wide Chief Audit Executive's direct reporting relationship to the Audit Committee creates the internal audit authority and allows for unrestricted access to the Board. Northeast State Community College employs an internal auditor as described in the TBR Internal Audit policy (TBR Policy 04.01.05.00, Internal Audit).

The Audit Committee authorizes the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Obtain assistance from the necessary personnel of Northeast State Community College and other specialized services from within or outside the College to complete internal audit services.

The System-wide Chief Audit Executive will be provided with access to internal audit workpapers or other internal audit files and documentation by the College as needed for review, continuity of audit operations, determination of System-wide best practices, or as otherwise deemed necessary.

### ***Independence, Organizational Position, and Reporting Relationships***

The System-wide Chief Audit Executive and the College Director will be positioned at a level in the college that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the internal audit function. (See "Mandate" section.)

The System-wide Chief Audit Executive will report functionally to the Audit Committee and administratively (for example, day-to-day operations) to the TBR Vice Chancellor for Business and Finance. This positioning provides the organizational authority and status to bring matters directly to senior management and escalate matters to the Audit Committee, when necessary, without interference and supports the internal auditors' ability to maintain objectivity.

The College Director reports to the college President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

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

The System-wide Chief Audit Executive will confirm to the Audit Committee, at least annually, the organizational independence of the internal audit function. If the governance structure does

not support organizational independence, the System-wide Chief Audit Executive will document the characteristics of the governance structure limiting independence and any safeguards employed to achieve the principle of independence. The System-wide Chief Audit Executive will disclose to the Audit Committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfill its mandate.

### ***Changes to the Mandate and Charter***

Circumstances may justify a follow-up discussion between the System-wide Chief Audit Executive, the Audit Committee, and senior management on the internal audit mandate or other aspects of the internal audit charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards.
- A significant reorganization within the college.
- Significant changes in the System-wide Chief Audit Executive, the Audit Committee, and/or senior management.
- Significant changes to the college's strategies, objectives, risk profile, or the environment in which the college operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

### **Chief Audit Executive and College Director Roles and Responsibilities**

#### ***Ethics and Professionalism***

The System-wide Chief Audit Executive and the College Director will ensure that the internal audit activity:

- Conforms with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understands, respects, meets, and contributes to the legitimate and ethical expectations of the college and be able to recognize conduct that is contrary to those expectations.
- Encourages and promotes an ethics-based culture in the college.
- Reports organizational behavior that is inconsistent with the college's ethical expectations, as described in applicable policies and procedures.

#### ***Objectivity***

The System-wide Chief Audit Executive and the College Director will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope,

procedures, frequency, timing, and communication. If the System-wide Chief Audit Executive or the College Director determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing operational duties for Northeast State Community College or its affiliates.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any Northeast State Community College employee that is not employed by the internal audit function, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, at least annually, to appropriate parties such as the System-wide Chief Audit Executive, the Audit Committee, or management.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

### ***Managing the Internal Audit Function***

The System-wide Chief Audit Executive and the College Director have the responsibility to:

- Develop a risk-based internal audit plan annually that considers the input of the Audit Committee and senior management. The College Director submits the plan to the System-wide Chief Audit Executive for presentation to the Audit Committee for review and approval.
- Communicate the impact of resource limitations on the internal audit plan to the Audit Committee and senior management.
- Review and adjust the internal audit plan at least quarterly in response to changes in Northeast State Community College's business, risks, operations, programs, systems, and controls.
- Communicate with the Audit Committee and senior management if there are significant interim changes to the internal audit plan.

- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards and laws and/or regulations.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the Audit Committee and senior management quarterly and for each engagement as appropriate.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards and fulfill the internal audit mandate.
- Identify and consider trends and emerging issues that could impact the TBR system or the colleges and communicate to the Audit Committee and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure adherence to relevant policies and procedures of the TBR system and the colleges unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards. Any such conflicts will be resolved or documented and communicated to the Audit Committee and senior management.
- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If the System-wide Chief Audit Executive cannot achieve an appropriate level of coordination, the issue must be communicated to senior management and if necessary escalated to the Audit Committee.

### ***Communication with the Audit Committee and Senior Management***

The System-wide Chief Audit Executive meets with the Audit Committee quarterly. The following are periodically reported to the Audit Committee and senior management:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- Internal audit budget.
- Significant revisions to the internal audit plan and budget.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.

- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Audit Committee that could interfere with the achievement of the TBR system and the College strategic objectives.
- Results of assurance and advisory services.
- Resource requirements.
- Management's responses to risks that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond the TBR system or the College risk appetite.

### ***Quality Assurance and Improvement Program***

The System-wide Chief Audit Executive will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include external and internal assessments of the internal audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

Annually, the System-wide Chief Audit Executive will communicate with the Audit Committee and senior management about the internal audit function's quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the TBR System; qualifications must include at least one assessor holding an active Certified Internal Auditor® credential. Experience in higher education internal auditing will also be considered when selecting external assessors.

### **Scope and Types of Internal Audit Services**

The scope of internal audit services covers the entire breadth of the College, including all activities, assets, and personnel. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the Audit Committee and management on the adequacy and effectiveness of governance, risk management, and control processes for Northeast State Community College.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of the College’s strategic objectives are appropriately identified and managed.
- The actions of officers, directors, management, employees, and contractors or other relevant parties comply with TBR or college policies, procedures, and applicable laws, regulations, and governance standards.
- Operations and programs are performed effectively, efficiently, ethically, and equitably with results that are consistent with established goals and objectives.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact Northeast State Community College.
- The integrity of information and the means used to identify, measure, analyze, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

### Periodic Review of Internal Audit Charter

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

Dr. Jeff McCord

Print Name of President

Signed by:  
  
F3C31DD73720459...

Signature of President

5/28/2025

Date

Christopher L. Hyder

Print Name of Auditor



Signature of Auditor

05/21/2025

Date

## **Roane State Community College Internal Audit Charter**

### **Introduction**

Roane 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.

### **Purpose**

The purpose of the internal audit function is to strengthen Roane State Community College's ability to create, protect, and sustain value by providing the Board and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The internal audit function enhances Roane State Community College's:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

Roane State Community College's internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with The IIA's Global Internal Audit Standards™, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the Board.
- Internal auditors are free from undue influence and committed to making objective assessments.

### ***Commitment to Adhering to the Global Internal Audit Standards***

Roane State Community College's internal audit function will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. The System-wide Chief Audit Executive will report annually to the Audit Committee and senior management regarding the internal audit function's conformance with the Standards, which will be assessed through a quality assurance and improvement program.



## **Mandate**

### ***Authority***

In accordance with the T.C.A. Higher Education Accountability Act of 2004 (Tenn. Code Ann. § 49-14-101) and the T.C.A. Audit Committee Act of 2005 (Tenn. Code Ann. § 4-35-102), the Board created an Audit Committee and a System-wide Chief Audit Executive. The System-wide Chief Audit Executive's direct reporting relationship to the Audit Committee creates the internal audit authority and allows for unrestricted access to the Board. Roane State Community College employs an internal auditor as described in the TBR Internal Audit policy (TBR Policy 04.01.05.00, Internal Audit).

The Audit Committee authorizes the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Obtain assistance from the necessary personnel of Roane State Community College and other specialized services from within or outside Roane State Community College to complete internal audit services.

The System-wide Chief Audit Executive will be provided with access to internal audit workpapers or other internal audit files and documentation by the College as needed for review, continuity of audit operations, determination of System-wide best practices, or as otherwise deemed necessary.

### ***Independence, Organizational Position, and Reporting Relationships***

The System-wide Chief Audit Executive and the College Director will be positioned at a level in the college that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the internal audit function. (See "Mandate" section.)

The System-wide Chief Audit Executive will report functionally to the Audit Committee and administratively (for example, day-to-day operations) to the TBR Vice Chancellor for Business and Finance. This positioning provides the organizational authority and status to bring matters directly to senior management and escalate matters to the Audit Committee, when necessary, without interference and supports the internal auditors' ability to maintain objectivity.

The College Director reports to the college President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

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

The System-wide Chief Audit Executive will confirm to the Audit Committee, at least annually, the organizational independence of the internal audit function. If the governance structure does



not support organizational independence, the System-wide Chief Audit Executive will document the characteristics of the governance structure limiting independence and any safeguards employed to achieve the principle of independence. The System-wide Chief Audit Executive will disclose to the Audit Committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfill its mandate.

### ***Changes to the Mandate and Charter***

Circumstances may justify a follow-up discussion between the System-wide Chief Audit Executive, the Audit Committee, and senior management on the internal audit mandate or other aspects of the internal audit charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards.
- A significant reorganization within the college.
- Significant changes in the System-wide Chief Audit Executive, the Audit Committee, and/or senior management.
- Significant changes to the college's strategies, objectives, risk profile, or the environment in which the college operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

### **Chief Audit Executive and College Director Roles and Responsibilities**

#### ***Ethics and Professionalism***

The System-wide Chief Audit Executive and the College Director will ensure that the internal audit activity:

- Conforms with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understands, respects, meets, and contributes to the legitimate and ethical expectations of the college and be able to recognize conduct that is contrary to those expectations.
- Encourages and promotes an ethics-based culture in the college.
- Reports organizational behavior that is inconsistent with the college's ethical expectations, as described in applicable policies and procedures.

#### ***Objectivity***

The System-wide Chief Audit Executive and the College Director will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope,

procedures, frequency, timing, and communication. If the System-wide Chief Audit Executive or the College Director determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing operational duties for Roane State Community College or its affiliates.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any Roane State Community College employee that is not employed by the internal audit function, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, at least annually, to appropriate parties such as the System-wide Chief Audit Executive, the Audit Committee, or management.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

### ***Managing the Internal Audit Function***

The System-wide Chief Audit Executive and the College Director have the responsibility to:

- Develop a risk-based internal audit plan annually that considers the input of the Audit Committee and senior management. The College Director submits the plan to the System-wide Chief Audit Executive for presentation to the Audit Committee for review and approval.
- Communicate the impact of resource limitations on the internal audit plan to the Audit Committee and senior management.
- Review and adjust the internal audit plan at least quarterly in response to changes in Roane State Community College's business, risks, operations, programs, systems, and controls.
- Communicate with the Audit Committee and senior management if there are significant interim changes to the internal audit plan.



- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards and laws and/or regulations.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the Audit Committee and senior management quarterly and for each engagement as appropriate.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards and fulfill the internal audit mandate.
- Identify and consider trends and emerging issues that could impact the TBR system or the colleges and communicate to the Audit Committee and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure adherence to relevant policies and procedures of the TBR system and the colleges unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards. Any such conflicts will be resolved or documented and communicated to the Audit Committee and senior management.
- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If the System-wide Chief Audit Executive cannot achieve an appropriate level of coordination, the issue must be communicated to senior management and if necessary escalated to the Audit Committee.

#### *Communication with the Audit Committee and Senior Management*

The System-wide Chief Audit Executive meets with the Audit Committee quarterly. The following are periodically reported to the Audit Committee and senior management:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- Internal audit budget.
- Significant revisions to the internal audit plan and budget.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.

- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Audit Committee that could interfere with the achievement of the TBR system and the College strategic objectives.
- Results of assurance and advisory services.
- Resource requirements.
- Management's responses to risks that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond the TBR system or the College risk appetite.

### ***Quality Assurance and Improvement Program***

The System-wide Chief Audit Executive will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include external and internal assessments of the internal audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

Annually, the System-wide Chief Audit Executive will communicate with the Audit Committee and senior management about the internal audit function's quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the TBR System; qualifications must include at least one assessor holding an active Certified Internal Auditor® credential. Experience in higher education internal auditing will also be considered when selecting external assessors.

### **Scope and Types of Internal Audit Services**

The scope of internal audit services covers the entire breadth of the College, including all activities, assets, and personnel. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the Audit Committee and management on the adequacy and effectiveness of governance, risk management, and control processes for Roane State Community College.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.



Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of the College's strategic objectives are appropriately identified and managed.
- The actions of officers, directors, management, employees, and contractors or other relevant parties comply with TBR or college policies, procedures, and applicable laws, regulations, and governance standards.
- Operations and programs are performed effectively, efficiently, ethically, and equitably with results that are consistent with established goals and objectives.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact Roane State Community College.
- The integrity of information and the means used to identify, measure, analyze, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

#### Periodic Review of Internal Audit Charter

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

Chris Whaley

Print Name of President



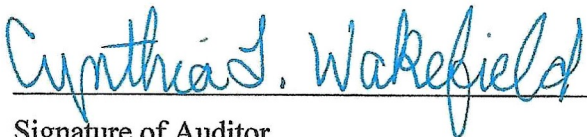
Signature of President

5/22/2025

Date

Cynthia L. Wakefield

Print Name of Auditor



Signature of Auditor

5/21/25

Date

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BOARD TRANSMITTAL

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MEETING: Committee on Audit

SUBJECT: Review of Charters, Responsibilities, and IIA Standards

DATE: August 26, 2025

PRESENTER: Mike Batson

ACTION REQUIRED: Informational Report

STAFF'S  
RECOMMENDATION: Accept Report

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**Audit Committee Charter**

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 underwent significant revisions to ensure compliance with the Institute of Internal Auditors (IIA) new *Global Internal Audit Standards* in the February 18, 2025, Audit Committee meeting. The revised Charter was subsequently approved by the Comptroller of the Treasury.

The Internal Audit staff have reviewed the charter and do not recommend additional changes at this time.

**College Internal Audit Charter**

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 *Global Internal Audit Standards (Standards)*, issued by the Institute of Internal Auditors (IIA).

An annual review of the charter template is performed by the Internal Audit Directors group for consideration of any revisions, particularly regarding changes in the *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.

Similar to the Audit Committee Charter, the college internal audit charter template underwent significant revisions in compliance with the *Global Internal Audit Standards* as presented at the February 18 meeting. No additional changes are recommended.

## **Responsibilities**

The Tennessee Board of Regents policy 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 policies, 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.

## **IIA Global Standards**

State law requires that internal auditors of state entities follow the professional auditing standards of The Institute 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 (the Board), 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 communication among the Board of Regents, the senior management of the Board and its colleges, the Tennessee Comptroller of the Treasury, and System-wide Internal Audit Chief Audit Executive 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 other 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.

### **Authority and Scope**

In accordance with the T.C.A. Higher Education Accountability Act of 2004 (Tenn. Code Ann. § 49-14-101) and the T.C.A. Audit Committee Act of 2005 (Tenn. Code Ann. § 4-35-102), the Board created the Audit Committee and a System-wide Chief Audit Executive.

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:

- 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, *Internal 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.

## **Global Internal Audit Standards**

The internal audit function adheres to the mandatory elements of the Institute of Internal Auditors' Global Internal Audit Standards (*Standards*). 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. The System-wide Chief Audit Executive will provide a report annually to inform the Audit Committee and senior management about the *Standards*, any applicable changes to the *Standards*, and the internal audit function's compliance with the *Standards*, which will be assessed through a quality assurance and improvement program.

## **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.

#### Other External Audits

- 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.

#### Ethics and Professionalism

The Audit Committee and System-wide Chief Audit Executive will ensure that the internal audit activity:

- Conforms with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understands, respects, meets, and contributes to the legitimate and ethical expectations of the Board and be able to recognize conduct that is contrary to those expectations.
- Encourages and promotes an ethics-based culture in the System.
- Reports organizational behavior that is inconsistent with the System's ethical expectations, as described in applicable policies and procedures.
- Ensure that the Chief Audit Executive has direct and unrestricted access to the chairman and other committee members.

#### Internal Audit Activities

- The System-wide Chief Audit Executive will confirm to the Audit Committee annually the organizational independence of the internal audit function. If the governance structure does not support organizational independence, the System-wide Chief Audit Executive will document the characteristics of the governance structure limiting independence and any safeguards employed to achieve the principle of independence. The System-wide Chief Audit Executive will disclose to the Audit Committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfill its mandate.
- 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 is authorized to have full, free, unrestricted access to all Tennessee Board of Regents and college records, physical property, and personnel necessary to complete any engagement. Internal audit accepts responsibility for the confidentiality and safeguarding of records and information and handles them in the same prudent manner that the Board expects of the employees normally accountable for them.
- 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' *Global Internal Audit Standards*.

#### 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 compensation, and termination of system office internal auditors; review the compensation of campus internal auditors; and approve the termination of campus internal auditors.
- Ensure that the Chief Audit Executive is provided with complete access to the workpapers and other files maintained by the community college audit functions as requested by the Chief Audit Executive.

#### 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.
- 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 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 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.

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**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; Committee on Audit Meeting, September 1, 2020; Committee on Audit Meeting, August 29, 2023; Committee on Audit Meeting, February 18, 2025.**

## **(Name of College) Internal Audit Charter**

### **Introduction**

(Name of college) (the 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.

### **Purpose**

The purpose of the internal audit function is to strengthen [name of college]'s ability to create, protect, and sustain value by providing the Board and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The internal audit function enhances [name of college]'s:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

[name of college]'s internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with The IIA's Global Internal Audit Standards™, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the Board.
- Internal auditors are free from undue influence and committed to making objective assessments.

### ***Commitment to Adhering to the Global Internal Audit Standards***

The [name of college]'s internal audit function will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. The System-wide Chief Audit Executive will report annually to the Audit Committee and senior management regarding the internal audit function's conformance with the Standards, which will be assessed through a quality assurance and improvement program.

## **Mandate**

### ***Authority***

In accordance with the T.C.A. Higher Education Accountability Act of 2004 (Tenn. Code Ann. § 49-14-101) and the T.C.A. Audit Committee Act of 2005 (Tenn. Code Ann. § 4-35-102), the Board created an Audit Committee and a System-wide Chief Audit Executive. The System-wide Chief Audit Executive's direct reporting relationship to the Audit Committee creates the internal audit authority and allows for unrestricted access to the Board. [Name of college] employs an internal auditor as described in the TBR Internal Audit policy (TBR Policy 04.01.05.00, Internal Audit).

The Audit Committee authorizes the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Obtain assistance from the necessary personnel of [name of college] and other specialized services from within or outside [name of college] to complete internal audit services.

The System-wide Chief Audit Executive will be provided with access to internal audit workpapers or other internal audit files and documentation by the College as needed for review, continuity of audit operations, determination of System-wide best practices, or as otherwise deemed necessary.

### ***Independence, Organizational Position, and Reporting Relationships***

The System-wide Chief Audit Executive and the College Director will be positioned at a level in the college that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the internal audit function. (See "Mandate" section.)

The System-wide Chief Audit Executive will report functionally to the Audit Committee and administratively (for example, day-to-day operations) to the TBR Vice Chancellor for Business and Finance. This positioning provides the organizational authority and status to bring matters directly to senior management and escalate matters to the Audit Committee, when necessary, without interference and supports the internal auditors' ability to maintain objectivity.

The College Director reports to the college President with audit reporting responsibility to the Audit Committee and the Board through the System-wide Chief Audit Executive.

The (name of college) management has the primary responsibility for establishing and maintaining a sufficient system of internal controls.

The System-wide Chief Audit Executive will confirm to the Audit Committee, at least annually, the organizational independence of the internal audit function. If the governance structure does not support organizational independence, the System-wide Chief Audit Executive will document the characteristics of the governance structure limiting independence and any safeguards employed

to achieve the principle of independence. The System-wide Chief Audit Executive will disclose to the Audit Committee any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfill its mandate.

### ***Changes to the Mandate and Charter***

Circumstances may justify a follow-up discussion between the System-wide Chief Audit Executive, the Audit Committee, and senior management on the internal audit mandate or other aspects of the internal audit charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards.
- A significant reorganization within the college.
- Significant changes in the System-wide Chief Audit Executive, the Audit Committee, and/or senior management.
- Significant changes to the college's strategies, objectives, risk profile, or the environment in which the college operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

### **Chief Audit Executive and College Director Roles and Responsibilities**

#### ***Ethics and Professionalism***

The System-wide Chief Audit Executive and the College Director will ensure that the internal audit activity:

- Conforms with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understands, respects, meets, and contributes to the legitimate and ethical expectations of the college and be able to recognize conduct that is contrary to those expectations.
- Encourages and promotes an ethics-based culture in the college.
- Reports organizational behavior that is inconsistent with the college's ethical expectations, as described in applicable policies and procedures.

#### ***Objectivity***

The System-wide Chief Audit Executive and the College Director will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the System-wide Chief Audit Executive or



the College Director determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing operational duties for [name of college] or its affiliates.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any [name of college] employee that is not employed by the internal audit function, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, at least annually, to appropriate parties such as the System-wide Chief Audit Executive, the Audit Committee, or management.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

### ***Managing the Internal Audit Function***

The System-wide Chief Audit Executive and the College Director have the responsibility to:

- Develop a risk-based internal audit plan annually that considers the input of the Audit Committee and senior management. The College Director submits the plan to the System-wide Chief Audit Executive for presentation to the Audit Committee for review and approval.
- Communicate the impact of resource limitations on the internal audit plan to the Audit Committee and senior management.
- Review and adjust the internal audit plan at least quarterly in response to changes in [name of college]'s business, risks, operations, programs, systems, and controls.
- Communicate with the Audit Committee and senior management if there are significant interim changes to the internal audit plan.

- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards and laws and/or regulations.
- Follow up on engagement findings and confirm the implementation of recommendations or action plans and communicate the results of internal audit services to the Audit Committee and senior management quarterly and for each engagement as appropriate.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards and fulfill the internal audit mandate.
- Identify and consider trends and emerging issues that could impact the TBR system or the colleges and communicate to the Audit Committee and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure adherence to relevant policies and procedures of the TBR system and the colleges unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards. Any such conflicts will be resolved or documented and communicated to the Audit Committee and senior management.
- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If the System-wide Chief Audit Executive cannot achieve an appropriate level of coordination, the issue must be communicated to senior management and if necessary escalated to the Audit Committee.

### ***Communication with the Audit Committee and Senior Management***

The System-wide Chief Audit Executive meets with the Audit Committee quarterly. The following are periodically reported to the Audit Committee and senior management:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- Internal audit budget.
- Significant revisions to the internal audit plan and budget.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.

- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Audit Committee that could interfere with the achievement of the TBR system and the College strategic objectives.
- Results of assurance and advisory services.
- Resource requirements.
- Management's responses to risks that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond the TBR system or the College risk appetite.

### ***Quality Assurance and Improvement Program***

The System-wide Chief Audit Executive will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include external and internal assessments of the internal audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

Annually, the System-wide Chief Audit Executive will communicate with the Audit Committee and senior management about the internal audit function's quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the TBR System; qualifications must include at least one assessor holding an active Certified Internal Auditor® credential. Experience in higher education internal auditing will also be considered when selecting external assessors.

### **Scope and Types of Internal Audit Services**

The scope of internal audit services covers the entire breadth of the College, including all activities, assets, and personnel. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the Audit Committee and management on the adequacy and effectiveness of governance, risk management, and control processes for [name of college].

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of the College's strategic objectives are appropriately identified and managed.
- The actions of officers, directors, management, employees, and contractors or other relevant parties comply with TBR or college policies, procedures, and applicable laws, regulations, and governance standards.
- Operations and programs are performed effectively, efficiently, ethically, and equitably with results that are consistent with established goals and objectives.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact [name of college].
- The integrity of information and the means used to identify, measure, analyze, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

#### **Periodic Review of Internal Audit Charter**

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

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Print Name of President

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Signature of President

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Date

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Print Name of Auditor

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Signature of Auditor

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Date

**Tennessee Board of Regents  
Chart of Audit Committee Responsibilities**

<b><i>Responsibilities for Governance and Oversight</i></b>		
	<b>Performed</b>	<b>Requirement</b>
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
<b><i>Responsibilities for Internal Audit Activities</i></b>		
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 <i>Standards</i> .	Annually	S/C/P
<b><i>Responsibilities for External Audit Activities</i></b>		
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
<b><i>Responsibilities for Management's Control Activities</i></b>		
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
<b><i>Responsibilities for Internal Audit Personnel and Resources</i></b>		
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
<b>Legend:</b> S – State Statute C – TBR Audit Committee Charter P – TBR Internal Audit Policy, 4.01.05.00 G – Guidance for Audit Committees by Comptroller		

Global Internal Standards Domains and Principles		
Domain 1 Purpose of Internal Auditing	Purpose Statement:  Internal auditing strengthens the organization’s ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight.	
Domain 2 Ethics and Professionalism	Principle 1 Demonstrate Integrity	Internal auditors demonstrate integrity in their work and behavior.
	Principle 2 Maintain Objectivity	Internal auditors maintain an impartial and unbiased attitude when performing internal audit services and making decisions.
	Principle 3 Demonstrate Competency	Internal auditors apply the knowledge, skills, and abilities to fulfill their roles and responsibilities successfully.
	Principle 4 Exercise Due Professional Care	Internal auditors apply due professional care in planning and performing internal audit services.
	Principle 5 Maintain Confidentiality	Internal auditors use and protect information appropriately.
Domain 3 Governing the Internal Audit Function	Principle 6 Authorized by the Board	The board establishes, approves, and supports the mandate of the internal audit function.
	Principle 7 Positioned Independently	The board establishes and protects the internal audit function’s independence and qualifications.
	Principle 8 Overseen by the Board	The board oversees the internal audit function to ensure the function’s effectiveness.

Global Internal Standards Domains and Principles		
Domain 4 Managing the Internal Audit Function	<u>Principle 9</u> Plan Strategically	The chief audit executive plans strategically to position the internal audit function to fulfill its mandate and achieve long-term success.
	<u>Principle 10</u> Manage Resources	The chief audit executive manages resources to implement the internal audit function's strategy and achieve its plan and mandate.
	<u>Principle 11</u> Communicate Effectively	The chief audit executive guides the internal audit function to communicate effectively with its stakeholders.
	<u>Principle 12</u> Enhance Quality	The chief audit executive is responsible for the internal audit function's conformance with the Global Internal Audit Standards and continuous performance improvement.
Domain 5 Performing Internal Audit Services	<u>Principle 13</u> Plan Engagements Effectively	Internal auditors plan each engagement using a systematic, disciplined approach.
	<u>Principle 14</u> Conduct Engagement Work	Internal auditors implement the engagement work program to achieve the engagement objectives.
	<u>Principle 15</u> Communicate Engagement Results and Monitor Action Plans	Internal auditors communicate the engagement results to the appropriate parties and monitor management's progress toward the implementation of recommendations or action plans.