

**Meeting of the Tennessee State University Board of Trustees
Audit Committee
March 12, 2025
Tennessee State University – The Farrell Westbrook Complex (the “Barn”)**

MINUTES

Committee Members Present: Trustees Dimeta Smith Knight (Committee Chair), Charles Traughber (virtual), Marquita Qualls, and Dakasha Winton. Other Board members present: Trustees Jeffery Norfleet, Terica Smith, and Artenzia Young-Seigler

University Staff Present: Interim President Dwayne Tucker; Ginette Garza Brown, Interim General Counsel and Board Secretary; Dr. Renée Forbes-Williams, Director of Internal Audit; Jim Grady, A&M Consultant; Ingrid Gardner; Angela Mills, Interim Associate VP of Public Relations and Communications; Cynthia Howell, Vice President of Business and Finance

I. CALL TO ORDER

The Committee Chair Dimeta Smith Knight called the meeting to order at 1:06 p.m.

II. ROLL CALL/DECLARATION OF A QUORUM

Committee Chair Dimeta Smith Knight declared that a physical quorum was not present and moved that electronic participation by a quorum was necessary, which was approved. Committee Secretary conducted the roll call. The following committee members were present: Trustees Dimeta Smith Knight, Marquita Qualls, Charles Traughber, and Dakasha Winton.

III. APPROVAL OF THE NOVEMBER 22, 2024, AUDIT COMMITTEE MEETING MINUTES

The minutes from the November 22, 2024, meeting of the Audit Committee were approved as submitted, with Chair Winton making the motion and Trustee Qualls seconding the motion. The motion passed unanimously by roll call vote.

IV. REPORT ON EXTERNAL AND INTERNAL AUDITS

Committee Chair Smith Knight next asked Director of Internal Audit Renée Forbes-Williams to provide a report on Internal and External Audits.

Dr. Forbes-Williams began with the external audits. She reported that the FY2023 financial statement audit, conducted by state auditors, has completed its fieldwork and is now in the final stages, with the report expected to be released in April. She then discussed the FY2024 Single Audit, noting that there were four repeat findings. Management comments have been received and will be included in the FY2024 State of Tennessee Single Audit Report, which is scheduled for

publication in late March. She added that the FY2024 financial statement audit is on track and is anticipated to be completed by June.

Dr. Forbes-Williams then turned to the internal audit of the Office of the President, covering the period from July 1, 2023, to June 30, 2024, under former President Glenda Glover. She explained that the audit was conducted to ensure compliance with Tennessee Code Title 49, Chapter 7, and with institutional policies related to expenses. She directed trustees to page 14 of the board materials for detailed information. The report identified total presidential expenses of \$1,144,929, broken down as follows: \$1,078,611 from institutional funds, \$6,263 from the foundation, and \$60,055 from external sources. Additional expenses included housing costs and athletic tickets. She noted that there were no findings. However, there was a year-over-year increase of \$127,827, which represents an 11% increase compared to the prior year.

A trustee presented the question of who is included under “Salary and Benefits” in the President’s Office. Dr. Forbes-Williams responded that the category includes two executive assistants, the executive to the president, and possibly the chief of staff, though she was not entirely certain. She stated that these financials should be tracked by General Accounting rather than the Budget Office.

Another trustee asked about the average year-over-year increase in presidential expenses. Dr. Forbes-Williams said that the Budget Office has historically tracked that information and that she would follow up. She emphasized again that this reporting should fall under General Accounting moving forward.

Trustee Qualls asked why housing maintenance costs were reported separately from facilities. Dr. Forbes-Williams explained that while JLL is the contracted provider for facilities operations, the housing-related maintenance expenses in this report fall directly under the President’s Office and not under JLL’s scope.

President Tucker inquired about Schedule V, asking whether the charges listed should have been recorded under the Foundation. Dr. Forbes-Williams clarified that the charges were related to Nissan Stadium, and that these types of charges occur annually because the university’s financial books are closed before those expenses are finalized.

A trustee asked whether the Foundation’s payment process is different from the University’s. Dr. Forbes-Williams explained that while the processes are separate, they are not coded separately in the system. She concluded by recommending that future conversations related to executive financial reporting continue under the oversight of General Accounting.

V. REPORT ON INTERNAL AUDIT PLAN STATUS

Committee Chair Smith Knight next asked Director of Internal Audit Dr. Renée Forbes-Williams to provide a report on the Internal Audit Plan Status.

Dr. Forbes-Williams began by referencing the Internal Audit Plan for the fiscal year ending June 30, 2025, noting updates as of March 2025. She explained that items highlighted in purple on the plan reflect recent changes, including the addition of Cash Advance to the Travel Card

Transactions review. As a result, project dates were extended. She also noted that the Quality Assessment Review (both external and internal) would be reserved for discussion during Executive Session. Regarding the Conflict-of-Interest audit, she reported that although the original goal was to complete it by November 2024, the team did not finalize the work until January 2025.

Dr. Forbes-Williams further explained that the hours allocated to the audit plan were adjusted. Specifically, the Quality Assessment Review was removed for this year, decreasing that project's hours to 990. However, the total planned hours for the full audit plan increased from 3,915 to 4,415 due to additional time allocated to other projects.

Committee Chair Smith Knight asked whether there is a formal system or framework in place to support the audit plan and program. Dr. Forbes-Williams responded that there is not.

Trustee Traugher observed that the total budgeted hours for the audit plan are 4,415 and noted that one person working a standard 40-hour week accounts for 2,080 hours annually. He asked how this discrepancy is reconciled. Dr. Forbes-Williams responded that she would address the matter further in Executive Session, where she plans to discuss the possibility of co-sourcing audit support.

She also confirmed that she has been dedicating her time to audits as well as other investigations.

Trustee Traugher then inquired whether a risk assessment had been conducted for items not required by law and whether there were concerns about delays in completing those audits. Dr. Forbes-Williams responded that a risk assessment had been conducted and reported to the Audit Committee. It was completed in coordination with Risk Management Director Cynthia Howell. She clarified that while it was a comprehensive assessment of financial integrity, it was not specifically targeted to the individual items listed on the audit plan.

VI. EXECUTIVE SESSION – DISCUSSION OF ITEMS DEEMED CONFIDENTIAL UNDER STATE LAW

Committee Chair Smith Knight moved for the Audit Committee to go into Executive Session to discuss items deemed confidential under State law. The committee then transitioned into the Executive Session.

VII. ADJOURNMENT

Committee Chair Smith Knight adjourned the meeting. The meeting was adjourned.