



**TENNESSEE STATE UNIVERSITY  
BOARD OF TRUSTEES**

<b>AUDIT COMMITTEE</b>	
Thursday, May 14, 2026 3:30 p.m. CT	Tennessee State University Main Campus Farrell Westbrook Complex (The Barn) 3500 John A. Merritt Blvd. Nashville, TN 37209

**AGENDA**

- I. Call to Order
- II. Roll Call
- III. Opening Remarks by the Committee Chair
- IV. Adoption of Agenda
- V. Approval of Minutes: February 19, 2026, Audit Committee Meeting (Action)
- VI. Report on Internal and External Audits
- VII. Internal Audit GAP Assessment
- VIII. Review of Internal Audit Plan
- IX. Adjournment of Public Session
- X. Non-Public Executive Session

*Discussion of matters deemed not subject to public inspection under state law, confidential or privileged matters, litigation, audits, investigations, and other matters deemed not subject to public inspection pursuant to T.C.A. § 4-35-108(b)(1)-(3)).*

TENNESSEE STATE UNIVERSITY  
BOARD OF TRUSTEES

ACTION ITEM

DATE: May 14, 2026

ITEM: Approval of February 19, 2026, Audit Committee Meeting Minutes

RECOMMENDED ACTION: Approval

PRESENTED BY: Trustee Dimeta Smith Knight, Committee Chair

**Background Information**

The committee conducted the meeting(s) referenced below. The document reflecting the minutes from the meeting(s) are included in the Board materials:

February 19, 2026, Audit Committee Meeting Minutes

**Committee Action**

The Committee Chair will call for a motion recommending the adoption of the meeting minutes.

**MOTION: I move to approve the February 19, 2026, Audit Committee meeting minutes, as contained in the materials for the May 14, 2026, meeting.**

**Meeting of the Tennessee State University Board of Trustees**  
**Audit Committee Meeting**  
**February 19, 2026**  
**Tennessee State University – The Farrell Westbrook Complex (the “Barn”)**

**MINUTES**

**Committee Members Present:** Trustees Dimeta Smith Knight, Marquita Qualls (virtual) and Dakasha Winton. Other Trustees present: Trevia Chatman, Terica Smith, Leticia Towns, and Artenzia Young-Seigler

**University Staff Present:** President Dwayne Tucker; Ginette Garza Brown, Interim General Counsel and Board Secretary

**I. CALL TO ORDER**

Committee Chair Smith Knight called the meeting to order at 2:31 p.m.

**II. ROLL CALL/DECLARATION OF A QUORUM**

Secretary Board conducted the roll call. The following committee members were present: Trustees Dimeta Smith Knight, Marquita Qualls and Dakasha Winton. Following the roll call, Secretary Brown determined that a quorum was present.

**III. ADOPTION OF AGENDA**

Chair Winton moved to adopt the agenda as presented. The motion was seconded by Trustee Qualls. A roll call vote was taken, with all present Committee members voting in favor of the motion. The motion passed unanimously.

**IV. APPROVAL OF NOVEMBER 20, 2025, AUDIT COMMITTEE MEETING MINUTES**

The minutes from the November 20, 2025, meeting of the Audit Committee were approved as submitted, with Chair Winton making the motion and Trustee Qualls seconding the motion. A roll call vote was taken, with all present Committee members voting in favor of the motion. The motion passed unanimously.

**V. APPROVAL OF THE INTERNAL AUDIT CHARTER**

Committee Chair Smith Knight introduced the next agenda item, the approval of the Internal Audit Charter, noting that the proposed charter and supporting materials were included in the Board materials for the meeting. Committee Chair Smith Knight presented this agenda item.

Committee Chair Smith Knight explained that revisions to the Internal Audit Charter were made to align with new global internal audit standards and to strengthen the overall language of the

document. The Committee Chair noted that the updated charter reflects enhancements to existing practices and provides a more streamlined and consistent approach.

The Committee Chair further explained that the revisions were intended to ensure consistency with peer, locally governed institutions within the State of Tennessee and to reinforce current internal audit processes already in place at Tennessee State University.

Following discussion, Chair Winton made a motion to recommend approval of the Internal Audit Charter to the full Board, which was seconded by Trustee Qualls. A roll call vote was taken, with all present Committee members voting in favor of the motion. The motion passed unanimously.

## **VI. REPORT ON INTERNAL AND EXTERNAL AUDIT ITEMS**

Committee Chair Smith Knight introduced the next agenda item, the report on internal and external audit items, noting that the materials for this item were included in the Board materials for the meeting. She stated that Dr. Forbes Williams was not present but had provided a written report outlining the status of internal and external audits, which was included for the Committee's review.

The Committee Chair noted that this was an informational item and did not require a vote. Trustees were invited to ask questions or provide comments. There being no questions or further discussion, the item was concluded.

## **VII. AUDIT PLAN UPDATE**

Committee Chair Smith Knight introduced the next agenda item, the audit plan update, noting that the materials for this item were included in the Board materials for the meeting.

The Committee Chair stated that the materials were provided by Dr. Forbes Williams and that the item was presented for informational purposes only and did not require a vote. Trustees were invited to ask questions or provide comments. There being no questions or further discussion, the item was concluded.

## **VIII. ADJOURNMENT**

Chair Winton moved to adjourn the session to enter into executive session, with the motion seconded by Trustee Qualls. A roll call vote was taken, with all present Committee members voting in favor of the motion. The motion passed unanimously. The meeting was adjourned to enter into executive session.

TENNESSEE STATE UNIVERSITY  
BOARD OF TRUSTEES  
INFORMATION ITEM

DATE: May 14, 2026

ITEM: Report on External Audits

RECOMMENDED ACTION: No action

PRESENTED BY: Trustee Dimeta Smith Knight, Audit Committee Chair  
April Robinson, Chief Financial Officer

**Background Information**

A report on the current status of external audits, as well as remediation procedures of prior audits, will be provided to the Committee.

## ACTIVE AUDITS

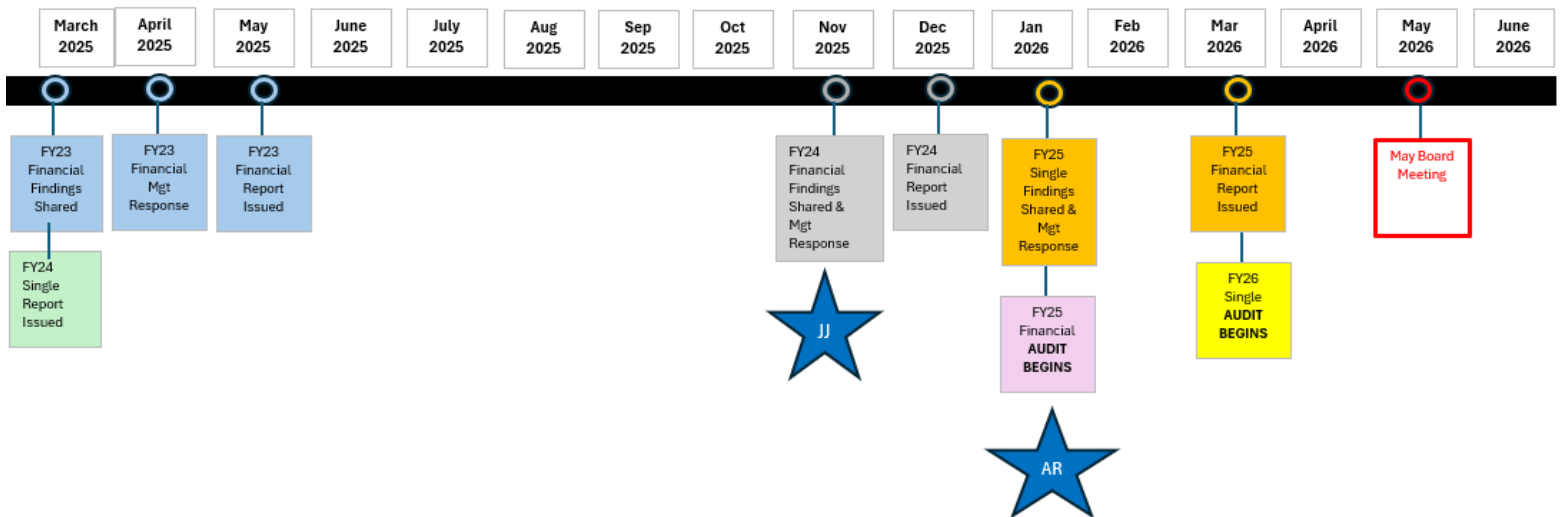
### 1) FY25 Financial & Compliance Audit

- In progress – weekly status update meetings
- State provided two additional resources to help expedite the audit. to meet University request of at least 30-day remediation before July 1<sup>st</sup> (FY27)

### 2) FY26 Single Financial Aid Audit

- In progress – team recently on-site – weekly status update meetings
- New integrated financial aid structure providing incremental support

## AUDIT TIMELINE



# State Audit Findings:

Single Audit and EEE findings included in the Financial and Compliance audit reporting shown above.

Topic	2020	2021	2022	2023	2024	2025	Notes	Status
Oversight / error-prone control environment	F1	—	F1	F1	F1		The Controller is scheduled to meet with the President and CFO on 5/20/26 to review the finding, discuss proposed corrective actions, and align on the immediate initiation of control implementation efforts.	Not started
Financial reporting errors / breakdown of controls	F2	F2	F3	F3	F2		The Controller is scheduled to meet with the CFO, Foundation Accounting Director, Grants Accounting Director, and Karen Glover (TBR) on 5/27/26 to review the finding, discuss proposed corrective actions, and align on the immediate initiation of control implementation efforts.	In progress
Bank reconciliations	F3	part of F1	F2	F2	Not repeated	Will be a finding for FY25	<p>The Controller has met with the Director of General Accounting (GA) and Karen with TBR to review the finding and discuss proposed corrective actions. The proposed corrective actions and related controls are currently active. The Controller plans to follow up in mid- to late-May to assess remediation progress and determine whether any adjustments are needed.</p> <p>Bank reconciliation work has been divided between TSU staff and TBR staff. TBR staff is completing reconciliations for July 2025 through December 2025. July's reconciliation has been completed, and August and September are expected to be completed by May 18. TSU staff has completed reconciliations for January 2026 through March 2026, and April's reconciliation is currently in process. TSU is relying on state audit for the FY25 work.</p> <p>A new bank reconciliation template has been developed to support a more efficient and effective preparation and review process.</p> <p>The Director of GA is facilitating communication with campus staff who interact with cash and banking activities to ensure alignment with the new daily, weekly, and monthly processes.</p> <p>The Controller and Director of GA met with bank representatives during the week of May 4 to follow up on BAI files that were originally requested in November/December 2025. As a result of the meeting, the bank confirmed it is now able to provide the requested files. In addition, an RFP for banking services is currently underway. Accounting is working to ensure its operational needs are incorporated into the RFP, with the goal of improving data availability and reporting options.</p>	In progress
Accounts receivable collections	F4	F3	F7	F7	Not repeated		<p>The Controller met with the Bursar and AVP at various points to discuss the components of this finding. The proposed corrective actions and related controls are currently active. The Controller plans to follow up in mid- to late-May to assess remediation progress and determine whether any adjustments are needed.</p> <p>A meeting with the Registrar needs to occur related to delayed application of financial aid.</p>	In progress
Return of Title IV funds	F5	—	—	F13	F10		The Controller is scheduled to meet with Financial Aid Director and Ashley Edens to review and discuss (on 5/12).	Not started
Student charges / tuition & fees	—	—	F5	F5	F4		The Controller met with the Bursar and Academic Affairs during 25Q4 (calendar year). A follow-up meeting was held in 25Q2 with the Bursar and AVP. According to both meetings, a portion of this issue has been resolved. (Controller is meeting with this group again to discuss remaining remediation efforts.)	In progress
Enrollment status reporting (NSLDS / Pell / Direct Loan)	—	—	—	F12	F9		Meeting with Dr. Deams needs to be rescheduled to review.	Not started
Title IV credit refunds	—	—	—	F11	F8		Controller meeting with AVP, Bursar, Director of Financial Aid, and SIG on 5/20.	Not started
Direct Loan reconciliation	F6	—	—	F10	F7		Controller met with Director of Financial Aid, Director of Grants Accounting, and SIG. This finding is partially remediated; however, some components remain. Confirmed the start of portions effective 5/11/26. There is at least one policy and new process (reconciliation) need in this area. Controller to work with Director of Grants on reconciliation. Also meeting with Financial Aid and SIG to discuss detail codes on 5/12; which is part of the corrective action that's needed.	In progress
Financial aid eligibility / ineligible students	—	—	—	F14	Not repeated		The Controller is scheduled to meet with Financial Aid Director and Ashley Edens to review and discuss (on 5/12).	Not started
Capital Projects	—	—	F4	Not repeated	Not repeated		<p>Meeting rescheduled due to priority request. Rescheduled to 5/14. However, Controller has met with Director of General Accounting, Karen Glover, and Jenifer Gray at various points to discuss fixed assets/capital management process since February / March due to the current FY25 audit that is taking place.</p> <p>Sensitive items policy currently under review for updates by Controller. ETA for completion is by the end of May 2026.</p>	In progress
Withdrawals / withdrawal dates & types	—	—	F6	F6	F5		Met with the Associate Registrar in calendar year 25Q4. Another meeting is scheduled with the AVP/Registrar on 5/14/26 to review the proposed controls.	In progress
Confidential internal controls finding	F7	—	F9	F15	F11		User access items were partially remediated during calendar year 25Q4. Additional gaps in the process were discovered during the FY25 audit. Controller, AVP Financial Services, CISO, and other IT staff have met and been in consistent communication about this update. The next scheduled follow-up is net week (5/20).	In progress
Ledgers / grants / subledgers / reconciliations	—	—	—	F4	F3		Controller has been meeting with the Director of Grants Accounting weekly to review/discuss grants receivable (and OIG-related) findings. Have also met with the Director of Grants Accounting and Director of Accounting at MTSU to glean from their process and discuss best practices. Will possibly meet with U of M. Met with TSU IT about system capabilities to address lack of controls in certain areas. Last meeting was with RSP; discussed the pre and post award processes and the possibility of having a grant management software. Dr. Quick stated there is grant funding available if we are able to find a software (that is compatible with current systems).	In progress
Foundation investment policy / asset allocation	—	—	—	F8	F6		Controller has met with Director of Foundation Accounting during the prior calendar year to discuss this finding. Planning to reconnect with her on 4/15.	In progress
HEERF compliance	—	—	F8	F9	Not repeated		Discussed the HEERF issue with the AVP of Financial Services. Per AVP, there is a possibility that HEERF money that needs to be returned. Follow-up meeting scheduled for May 14.	In progress

## STATE MANAGEMENT LETTERS FINDING

Topic	2020	2021	2022	2023	2024	2025	Comments	Status
Access Restriction / Safeguarding (Foundation Gift Log)					1	1	This items was also mentioned as a possible issue for FY25. Contoller has met/calls with Director of Foundation Accounting surrounding cash handling controls. Will schedule another meeting to finalize the updated process.	In process
Account Completeness / Disclosure to Auditors (Missing Foundation Accounts)				2			Met with Director of Foundation Accounting. She will review the listing at least annually to ensure what is provided to state audit includes all bank and investment accounts.	In process
Account Completeness / Disclosure to Regulators			1				Met with Director of Foundation Accounting. She will review the listing at least annually to ensure what is provided to Comptrollers Office includes all bank and investment accounts.	In process
Accounting Errors / Misstatements			1				Controller plans to work with Directors across all accounting areas to have a checklist in place. Will also incorporate additional layers of review in the process.	In process
Accrual / Liability Review			1				Policy/process drafted and pending Controller review/updates. ETA by May 30, 2026. Implementation by start of July 2026 month-end close.	In process
Accrual Accuracy					1		Policy/process drafted and pending Controller review/updates. ETA by May 30, 2026. Implementation by start of July 2026 month-end close.	In process
Allocation Methodology				1			TBD	Not started
Approval / Authorization				1	2		Discussed the w/o process with AVP of Financial Services. W/Os to now only occur with CFO's approval. Her review will include the submission to the applicable regulators for approval prior to doing so. This ML finding and the other connected to Approval/Authorization (lease agreement and application of credits to student accounts) are being rectified via new policy/procedures connected to audit findings.	In process
Approval Documentation		1					TBD - Need to meet with payroll	Not started
Authorized Signer Maintenance				1			Requested authorized signer changes for the recent Foundation Board changes.	In process
Bank Reconciliation Accuracy			1	2			This items is being partially addressed with the drafting of the Foundation bank reconciliation policy. Process/procedures needs to be discussed.	In process
Bank Reconciliation Timeliness / Accuracy / Completeness				1	1		University bank reconciliation policy updated to 30 days and not 45. For the Foundation, the Director is working to draft a Foundation bank reconciliation policy that reflects their org.	In process
Capital Asset Recording Accuracy					2		Item will be addressed as part of the overall review of capital projects process and possibly A/P accrual.	Not started
Capitalization / Classification					1		Item will be addressed as part of the overall review of capital projects process and possibly A/P accrual.	Not started
Cash Handling Controls / Segregation of Duties			1	1	1		Contoller has metwith with the Asst. Bursar surrounding cash handling controls. Directed Asst. Bursar on how to update this process. Follow-up meeting to be scheduled for 5/15.	In process
Completeness of Investment Records				1			Item not started. However, noted during FY25 audit that a SBITAs process needs to be reviewed/updated for FY26 YE closeout. Thus, ETA is likely YE.	Not started
Completeness of Student Population					1		TBD	Not started
Documentation of Accounting Judgments				1			Not started, but will need to be included in the SBITA process review.	Not started
Fund Segregation and Reconciliation				1			Have met with Director of Grants Accounting regarding processes/procedures. This process has been discussed as part of grander processes. Likely to be covered within those conversations.	Not started
Grant Accounting Accuracy					1		Meeting bi-weekly with Director of Grant Accounting to review/update policies and procedures surrounding grant accounting, reporting, and compliance. Sending monthly reports to OIG. Engaging MTSU and U of M to identify opportunities for benchmarking and implementation at TSU.	In process
Grant Closeout / Return of Unused Funds					1		Meeting bi-weekly with Director of Grant Accounting to review/update policies and procedures surrounding grant accounting, reporting, and compliance. Sending monthly reports to OIG. Engaging MTSU and U of M to identify opportunities for benchmarking and implementation at TSU.	In process
Interentity Reconciliation				1	1		Met with Director of General Accounting regarding this topic. Discussed the need to establish a process for this and reconciliation frequency.	In process
Inventory Records / Documentation		2	1		1		Sensitive Equipment policy drafted, pending review/updates by Controller. FY26 inventory process has not yet been officially determined.  Jenifer Grady currently meeting with various vendors to evaluate a fixed assets software.	In process
Note Disclosure Accuracy / Completeness		2	1	3	2		Item will likely be covered as part of the overall review of financial reporting / statements finding.	Not started
Policy Compliance / Collections					1		Item included with other overall discussions with Bursar and Registrar as part of other audit findings.	In process
Policy Documentation / Accounts Payable					1		Accounts Payable policy drafted and pending Controller review.	In process
Policy Documentation / Bank Reconciliation (Foundation)					1		Working with Director of Foundation Accounting on drafting a separate one for the Foundation. Due to Controller by May 19 for review.	In process
Policy Documentation / Board Approval					1		Debt Management Policy finalized and approved during January 2026 University BOD meeting.	Complete
Policy Governance / Unauthorized Change				1	1		Final University bank reconciliation policy approved by BOD in Nov. 2025.	Complete
Recognition / Classification		1	3	2	2		Numerous items roll under this one. HEERF addressed within overall findings. Others pertain to SBITAs, correct classifications within reporting, etc. These should be covered as part of the overall audit findings as well.	In process
Reconciliation / Statement Presentation					1		TBD	Not started
Reconciliation to Supporting Records				1	1		TBD	Not started
Segregation of Duties / Approval Access		1					Item connected to approval access; looped in with overall user access work.	In process
Statement Presentation / Classification			1	2	1		Item connected to capital projects and overall financial reporting. Loop in with those audit findings.	Not started
Travel Controls					1		Met with Dr. Sims and his team. Concur to address some portions, but additional work still needed. Director of GA has drafted a travel advance policy to be reviewed by the Controller. Limiting access travel advances.	In process
Tuition Billing Accuracy					1		Included in overall finding connected to rate table, etc. Still meeting with Bursar and AVP on these items.	In process
Unclaimed Property Compliance			2	2	1		Director of General Accounting has started data collection for the upcoming unclaimed property process that will occur this fiscal year.	In process
Unclaimed Property Policy Compliance			1	1	1		Unclaimed policy has been drafted and pending final approval.	In process
Unsupported Adjustment / Documentation				1	1		TBD, but likely part of overall financial reporting processes and checklist discussions.	Not started
User Deprovisioning		1					User access was updated at the end of calendar year 2025. During FY25 audit, another layer of user access was discovered and TSU is actively meeting with state audit personnel to rectify access and update user access process.	In process
Write-off Evaluation / Collections			1				Controller met with AVP and Bursar to review current w/o process. Current policy (and process) is being revised for student receivables. A policy will need to be developed for non-student A/R. Bursar instructed to redraft current proc	In process

**OIG (Unresolved corrective actions 6 of 13 total recommendations)**

Recommendation No.	Recommendation	Corrective Action Plan	Target date	Status
1.3	Direct TSU to strengthen the administrative and management controls and processes over obtaining and maintaining sufficient supporting documentation.	The Controller is meeting weekly with the Director of Grants Accounting to revise applicable policies and support implementation of related controls.	6/15/2026	In Progress
2.3	Direct TSU to strengthen its administrative and management controls and processes over the proper allocation of costs.		5/31/2026	In Progress
3.3	Direct TSU to update its administrative and management processes and internal control procedures related to assigning participant support costs within its accounting system.		5/31/2026	In Progress
4.2	Direct TSU to update its administrative and management processes and internal control procedures surrounding the Award Cash Management Service system.		5/31/2026	In Progress
5.1	Direct TSU to strengthen the administrative and management procedures over certifying time and effort reports in a timely manner.		5/29/2026	In Progress
5.2	Direct TSU to strengthen the administrative and management procedures to require the inclusion of pertinent information on time and effort reports such as fund codes, award numbers, and work descriptions.		4/30/2026	In Progress