

**Tennessee State University Board of Trustees
Audit Committee Meeting. September 20, 2018
Tennessee State University. 3500 John A. Merritt Blvd. Nashville, Tennessee
McWherter Administration Building
President's Conference Room**

MINUTES

Committee Members Present: Dr. Deborah Cole, Dr. Edith Peterson Mitchell, and Obie McKenzie.

Other Board Members Present: Dr. Richard Lewis and Mr. Stephen Corbeil.

University Staff Present: President Glenda Glover; Mr. Laurence Pendleton, General Counsel and Board Secretary; Ms. Cynthia Brooks; Mr. Horace Chase, Vice President for Business and Finance; Dr. Curtis Johnson, Chief of Staff and Associate Vice President of Administration; Ms. Adrian Davis, Director of Internal Audit; and Ms. Tamika Parker, Executive Assistant to the General Counsel.

Guests: Ms. Lauren Collier, Tennessee Higher Education Commission, Director of Institution and Board Affairs.

I. CALL TO ORDER

Trustee Cole called the meeting to order at 8:15 a.m. and welcomed all attendees.

II. ROLL CALL/DECLARATION OF A QUORUM

Board Secretary Pendleton called the roll at the committee chair's request. All members of the Audit Committee were present. Secretary Pendleton announced the presence of a quorum.

III. APPROVAL OF JUNE 21, 2018, COMMITTEE MEETING MINUTES

Trustee Cole proceeded to the approval of the June 21, 2018, Audit Committee Meeting Minutes, as included in the September 20, 2018, board materials. Trustee Cole moved to recommend to the full Board the approval of approve the minutes. Trustee Mitchell seconded the motion, which carried unanimously.

IV. REVIEW OF COMPLETED INTERNAL AUDITS

Dr. Glover asked Adrian Davis, Director of Internal Audit to provide the report for this item as the

President's designee.

Director Davis reported that the expenditures of the Athletics Office largely were in compliance with NCAA guidelines. The audit results showed that the Athletics Office made two overpayments totaling \$101.99.

Trustee Mitchell requested fund recovery. Chair Walker suggested that the university request a credit to the university's accounts as opposed to reimbursement. He also suggested a second review be added to the approval processes to reduce errors and avoid negative publicity.

Director Davis reported on the travel expense audit. She noted that 15% of the \$3.67 million spent on authorized travel was audited. Of 67 transactions reviewed, twelve instances of noncompliance with travel policies were noted. Four of the 67 travel transactions showed that the travelers failed to return advanced funds within 72 hours of the conclusion of travel. Out-of-state travel was coded to in-state travel. Training on travel will be provided annually to reinforce compliance with the travel policies.

Trustee Cole thanked the administration for their efforts.

This was an information item, thus no vote was taken.

V. DISCUSSION OF THE EXTERNAL AUDIT PROCESS

President Glover asked Director Davis to present information on the external audit. Director Davis commented that consecutive external annual audits have begun.

This was a discussion item, thus no vote was taken.

VI. ADJOURNMENT TO GO INTO EXECUTIVE SESSION TO DISCUSS THE ITEMS DEEMED CONFIDENTIAL UNDER STATE LAW

Trustee Cole moved to adjourn the public segment of the meeting to go into Executive Session to discuss items deemed confidential under state law. Trustee Mitchell seconded the motion, the motion carried, and the meeting was adjourned at 8:35 to go into Executive Session.