



<b>Audit Committee</b>			
3.19.20		1:30 p.m.	317 College Street, Clarksville, TN 37040
Meeting Type	Audit Committee Meeting		
Note Taker	McCartney Johnson		
Attendees			Present (Y/N)
	Ms. Katherine Cannata, Chair		Y (Electronic)
	Mr. Billy Atkins		Y
	Mr. Larry Carroll		Y (Electronic)
	General Gary Luck		Y (Electronic)
	Mr. Mike O'Malley, ex-officio		Y (Electronic)
	President Alisa White		Y
	Dannelle Whiteside, Vice President for Legal Affairs and Secretary to the Board		Y
<b>Call to Order</b>			
Discussion			
Trustee Cannata called the meeting to order at 3:24 p.m.			
<b>Roll Call/Declaration of Quorum</b>			
Discussion			
<p>Trustee Atkins was physically present. Trustee Cannata, Trustee Carroll and Trustee Luck participated by teleconference. As she called the roll, Ms. Dannelle Whiteside asked those participating by teleconference if they could hear clearly and if they could distinguish the voices of those present in the meeting room from those at their location. All trustees answered "yes" to both questions.</p> <p>After calling the roll, Ms. Whiteside did not detect a physical quorum present; however, a quorum existed by the inclusion of those members participating by electronic means. Ms. Whiteside stated that in accordance with T.C.A. § 8-44-108 section (b) (2), the following circumstances necessitated the reason for holding this meeting electronically:</p>			

Effective March 12, 2020, Austin Peay State University began operating in a limited capacity, suspending on-ground classes, due to the spread of the coronavirus. The administration made the determination to limit large gatherings of individuals, such as this board meeting, in order to protect the health and safety of participants.

Conclusions

Trustee Cannata moved that necessity has been established to hold this meeting in the absence of a physical quorum. The motion was seconded by Trustee Carroll. A roll call vote was taken and carried unanimously with 4 trustees voting yes.

Billy Atkins:	Yes
Katherine Cannata:	Yes
Larry Carroll:	Yes
Gary Luck:	Yes

Yes: 4, No: 0

**Action Item A - Consideration of the Fiscal Year 2020 Revised Audit Plan**

Discussion

Trustee Cannata recognized Blayne Clements for a report. Clements explained the Office of Internal Audit prepares an annual Audit Plan at the beginning of each fiscal year. The plan is based on the staffing and time resources available to perform audits and is prepared in conjunction with an annual risk analysis of the university's auditable areas.

Conclusions

Trustee Carroll moved to approve the revised fiscal year 2020 Internal Audit Plan. The motion was seconded by Trustee Luck. A roll call vote was taken and passed unanimously with 4 trustees voting yes.

Billy Atkins:	Yes
Katherine Cannata:	Yes
Larry Carroll:	Yes
Gary Luck:	Yes

Yes: 4, No: 0

**Action Item B - Consideration of the Revision to University Policy 1:016, Preventing and Reporting Fraud, Waste, and/or Abuse**

Discussion	
<p>Trustee Cannata recognized Blayne Clements for a report. Clements explained that the Reporting Fraud, Waste, and/or Abuse Policy describes the roles of all employees in helping prevent fraud, waste, and/or abuse of university resources. The policy also describes how and to whom a loss should be reported, even if the loss is unrelated to fraud, waste and abuse. He further explained that this portion of the policy contained some outdated language from when the university was in the Tennessee Board of Regents system, and that Internal Audit worked with management to update this portion of the policy to reflect how losses are reported in a post-FOCUS environment.</p>	

Conclusions									
<p>Trustee Atkins moved to approve the revised university policy 1:016, Preventing and Reporting Fraud, Waste, and/or Abuse. The motion was seconded by Trustee Carroll. A roll call vote was taken and passed unanimously with 4 trustees voting yes.</p>									
<table border="1" style="width: 100%;"> <tr> <td style="width: 70%;">Billy Atkins:</td> <td style="width: 30%;">Yes</td> </tr> <tr> <td>Katherine Cannata:</td> <td>Yes</td> </tr> <tr> <td>Larry Carroll:</td> <td>Yes</td> </tr> <tr> <td>Gary Luck:</td> <td>Yes</td> </tr> </table> <p>Yes: 4, No: 0</p>		Billy Atkins:	Yes	Katherine Cannata:	Yes	Larry Carroll:	Yes	Gary Luck:	Yes
Billy Atkins:	Yes								
Katherine Cannata:	Yes								
Larry Carroll:	Yes								
Gary Luck:	Yes								

**Information Item A - Review of Internal Audit Related Charters and Policies**

Discussion	
<p>Trustee Cannata recognized Blayne Clements for a report. Clements explained the Audit Committee is required to periodically review the following charters and policies:</p> <ul style="list-style-type: none"> <li>• Audit Committee Charter (review required by the Audit Committee Charter)</li> <li>• Internal Audit Charter (review required by internal audit standards)</li> <li>• Employee Code of Conduct, University Policy 5:043 (review required by the Audit Committee Charter)</li> <li>• Conflict of Interest, University Policy 1:001 (review required by the Audit Committee Charter).</li> </ul> <p>Clements explained he had reviewed the charters and policies and had no suggested revisions.</p>	

Conclusions	
<p>This was an information item and required no action.</p>	

**Information Item B - Internal Audit Reports and List of Outstanding Audit Recommendations**

Discussion

Trustee Cannata recognized Blayne Clements for a report. Clements discussed three audits completed between October 30, 2019 and February 17, 2020. The Review of Implementation of Role-Based Access in the Banner ERP System was released December 5, 2019 as "Limited Official Use Only." The Internal Controls Review - Office of Information Technology was released on December 12, 2019. Finally, the Review of Alleged Personal Items Purchased on a University Procurement Card was released on February 7, 2020.

Clements also explained that the Office of Internal Audit follows up on all recommendations included in internal audit reports and a summary of outstanding audit recommendations was provided to the committee.

Conclusions

This was an information item and required no action.

**Information Item C - Financial and Compliance Audit Report for Fiscal Year 2019**

Discussion

Aaron Jewell presented the results of the recent audit of the university financial statements.

Conclusions

This was an information item and required no action.

**Information Item D - Overview of Upcoming Sunset Audit Performed by the Comptroller's Office**

Discussion

Trustee Cannata recognized Blayne Clements for a report. Clements explained that the Comptroller's Office announced a sunset audit had been scheduled. A sunset audit is an evaluation of the need for the continued existence of a program or agency. The sunset audit specifically allows for an assessment of the effectiveness and performance of the program or agency. He reported that in a previous call with the Comptroller's Office, representatives stated the audit would focus on, but may not be limited to, board duties, campus security, strategic planning, and mental health.

Conclusions

This was an information item and required no action.

<b>Adjourn</b>	
Discussion	
Trustee Carroll moved to adjourn the public portion of the Audit Committee. The motion was seconded by Trustee Luck. The meeting adjourned at 3:44 p.m.	