

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES
AUDIT COMMITTEE

MINUTES

May 23, 2025
Johnson City, Tennessee

The East Tennessee State University Board of Trustees' Audit Committee met on Friday, May 23, 2025, at 11:12 a.m. in the East Tennessee Room of the D.P. Culp Student Center.

I. Call to Order

Committee Chair Melissa Steagall-Jones called the meeting to order at 11:12 a.m.

II. Roll Call

Board Secretary Dr. Adam Green conducted the roll call. The following committee members were physically present:

Committee Chair Melissa Steagall-Jones
Trustee Dorothy Grisham
Trustee Dr. Linda Latimer
Trustee Tony Treadway

Other Trustees present were Charles Allen, Janet Ayers, Steve DeCarlo, and Trent White.

III. Approval of the Committee Minutes from February 21, 2025

The minutes from the February 21, 2025, meeting of the Audit Committee were approved as submitted with Trustee Tony Treadway making the motion and Trustee Dorothy Grisham seconding the motion. The motion passed unanimously.

IV. Action Item: Approval of Audit Committee Charter

Ms. Becky Lewis, Director of Internal Audit, reported to the committee that there were no significant changes in this charter, other than some editorial modifications. Upon approval, the charter will be submitted to the state.

Trustee Grisham made a motion that the Audit Committee Charter be approved, and Trustee Treadway seconded the motion. It passed unanimously.

V. Action Item: Approval of Internal Audit Charter

Ms. Lewis indicated that this charter identifies the purpose, authority, roles, and responsibilities of the Office of Internal Audit. She said the content of the charter is similar to the previous version, but the new charter reflects the Global Internal Audit Standards. She said those standards set a higher expectation of communication among the Chief Audit Executive, the Board of Trustees, and senior administration.

Trustee Grisham made a motion that the revised Internal Audit Charter be approved, and Trustee Treadway seconded the motion. It passed unanimously.

VI. Action Item: Approval of Compliance Charter

Ms. Lewis told the committee that both the Office of Legal Counsel and the Office of Compliance have reviewed this charter, with only minor changes having been made.

Trustee Treadway made a motion that the revised Compliance Charter be approved, and Trustee Grisham seconded the motion. It passed unanimously.

VII. Action Item: Approval of Internal Audit Policy

Ms. Lewis said that the Audit Committee must review this policy annually. In addition to some name changes and revisions to comply with the university's new policy format, the major change involved the Office of Internal Audit's method on how follow-up reviews are being conducted.

Trustee Grisham made a motion that the revised Internal Audit Policy be approved, and Trustee Treadway seconded the motion. It passed unanimously.

VIII. Action Item: Approval of Preventing and Reporting Fraud, Waste, and Abuse Policy

Ms. Lewis said the policy has been reviewed by her office and revised to include additional information related to protection from retaliation and how employees should report instances of possible retaliation. In addition, the revised policy includes disciplinary options in cases where retaliation is found to have occurred.

Trustee Grisham made a motion that the revised policy be approved, and Trustee Treadway seconded the motion. It passed unanimously.

IX. Action Item: Revisions to the FY25 Audit Plan

Ms. Lewis requested two changes to the plan. First, she asked for the addition of ProCard consulting, especially given recent personnel changes in offices that deal directly with ProCard matters, along with the need to ensure that charges are properly approved and documented

campuswide. Ms. Lewis then requested that Family Medicine timekeeping be removed from the FY25 plan and reintroduced after the implementation of the new Voyager system.

Trustee Treadway made a motion that the revised plan be approved, and Trustee Grisham seconded the motion. It passed unanimously.

X. Annual Review of Policies

A. Conflict of Interest Policy

B. Employee Code of Conduct Policy

Ms. Lewis indicated that these policies are required, by charter, to be reviewed annually. She said that in both cases, the Office of Human Resources and the Office of Legal Counsel conducted reviews and found that no changes were necessary.

XI. Audits and Investigations Performed February through April 2025

Ms. Lewis reported that two audits were completed during this period: the College of Health Sciences Dean's Office and the College of Nursing Dean's Office. In both cases, there were no findings.

The Heat Map of Completed Audits showed no issues.

XII. Recommendation Log Status as of April 30, 2025

Ms. Lewis reported that she and her staff are continuing to perform follow-up reviews of prior audit recommendations.

XIII. Other Business

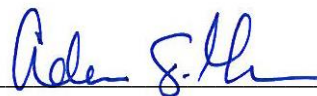
There was no other business to come before the committee.

XIV. Executive Session to Discuss Active Audits, Enterprise Risk Management, and Review University Risks and Related Internal Controls

The committee adjourned at 11:26 a.m. to go into executive session.

XV. Adjournment

Respectfully submitted,



Adam Green

Secretary of the Board of Trustees

Approved by the Board of Trustees at its September 12, 2025 meeting.