



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AUDIT AND COMPLIANCE COMMITTEE	
Thursday, October 23, 2025	UT Tower, Plaza Level
1:45 p.m. (EDT)/12:45 p.m. (CDT)	400 W. Summit Hill Drive, Knoxville, TN

AGENDA

Public Session

- I. Call to Order and Roll Call
- II. Opening Remarks of the Committee Chair
- III. [Approval of Minutes from Last Meeting](#) - Action..... Tab 1
- IV. Public Safety Update – Information
- V. [Consent Agenda](#)..... Tab 2
 - Information Items
 - A. [2025 Audit Plan Update](#)..... Tab 2.1
 - B. [Outstanding Audit Issues](#)..... Tab 2.2
 - C. [Institutional Compliance Update](#)..... Tab 2.3
 - D. [Travel Exception Report](#) Tab 2.4
- VI. Other Business

[Note: Under the Bylaws, items not appearing on the agenda may be considered only upon an affirmative vote representing a majority of the total voting membership of the Committee. Other business necessary to come before the Committee at this meeting should be brought to the attention of the Committee Chair or Board Secretary before the meeting.]
- VII. Closing Remarks and Adjournment

Nonpublic, Executive Session

Following the public session, the Committee will convene in a nonpublic, executive session pursuant to Tennessee Code Annotated § 4-35-108 to review:

- Audits;
- Investigations;
- Litigation; and/or
- Items not subject to public inspection or other matters, as may be permitted under state law.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

MINUTES OF THE AUDIT AND COMPLIANCE COMMITTEE July 1, 2025

The Audit and Compliance Committee of The University of Tennessee Board of Trustees met at 10:45 a.m. (EDT) on Tuesday, July 1, 2025. The meeting was held in the Wolford Family Athletics Facility at the University of Tennessee at Chattanooga, Chattanooga, Tennessee.

Committee Members Present: Decosta E. Jenkins, Committee Chair; John C. Compton, Board Chair; Bradford D. Box; and T. Lang Wiseman.

Others in Attendance:

Trustees: Shanea A. McKinney; Lisa N. Patel (Student Trustee); Christopher L. Patterson; William (Bill) C. Rhodes III; David N. Watson; and Jamie R. Woodson.

University Administration: President Randy Boyd; Brian Daniels, Chief Audit and Compliance Officer; David Miller, Senior Vice President and Chief Financial Officer; Cynthia Moore, Board Secretary and Special Counsel; C. Ryan Stinnett, General Counsel; Chancellor Melinda Arnold (UT Southern); Chancellor Lori Bruce (UT Chattanooga); Chancellor Peter Buckley (UT Health Science Center); Chancellor Yancy Freeman (UT Martin); and Chancellor Donde Plowman (UT Knoxville). In addition, other members of the University staff were present.

Ms. Moore announced the presence of a quorum. The meeting was webcast for the convenience of the University community, the general public, and the media.

Opening Remarks of the Chairperson

Committee Chair Jenkins welcomed everyone to the meeting. He noted that the agenda was brief, and presenters were asked not to read their materials but to highlight key points to allow time for meaningful Board discussion.

Approval of the Minutes

Committee Chair Jenkins noted that the minutes of prior meeting were included in the meeting materials (Tab 1). He asked for any corrections to the minutes. Hearing none, the minutes were approved as presented.

Public Safety Update

The Chief Audit and Compliance Officer, Mr. Brian Daniels, introduced the first agenda item: a review of public safety. He recalled the 2019 performance audit that emphasized campus safety. Each year, the Board receives a report detailing campus crime statistics and safety updates. Kelly Mihalik, Special Projects Investigator and Public Safety Manager, presented findings from the Tennessee Bureau of Investigation's (TBI) "Crimes on Campus" report required under the College & University Security Information Act.

Ms. Mihalik explained that crime data is calculated per 1,000 campus population based on the 2024 fall term, including students, faculty, and staff. She emphasized that these statistics do not account for population fluctuations due to events like sports games. Statewide, the TBI noted a decrease in overall reported offenses, particularly in assault and stalking, with drug and narcotics violations also showing a downward trend.

Across the UT System, 2022 was noted as a high-water mark for incidents. In 2023, the numbers declined slightly, and 2024 reflected a minor increase. Ms. Mihalik provided a campus-by-campus breakdown. UT Knoxville showed increases in drug/narcotic and weapon law violations, with high clearance rates (95% and 40 of 41, respectively). UT Chattanooga saw declines in vandalism and theft, with a slight uptick in drug/narcotic violations. UT Southern, which does not have its own police force and relies on the Pulaski Police Department, showed minimal change but a small rise in drug-related offenses. UT Martin experienced increases in vandalism and drug violations, with 92% of drug incidents cleared. UT Health Science Center showed declines in theft, vandalism, and drug violations.

Ms. Mihalik compared UT System statistics to the locally governed institutions (except for Middle Tennessee State University), noting similarities across the board, though drug/narcotic violations varied—potentially due to proactive campus policing and increased law enforcement staffing. Board Chair Compton and other board members asked for aggregate comparisons by year and discussed specific anomalies, such as the spike in fraud/counterfeiting at UT Knoxville. Ms. Mihalik explained these are categorized by FBI definitions, not criminal charges, and offered to investigate further. Board members also raised concerns over the increase in weapon law violations at UT Knoxville. Ms. Mihalik attributed this change to proactive policing in adjacent areas and emphasized that many cases involved non-students. President Randy Boyd affirmed that student safety remains a top priority, supported by audits and physical campus inspections.

Campus Safety - UT Chattanooga

Sean O'Brien, recently appointed Associate Vice Chancellor for Public Safety and Chief of Police at UT Chattanooga, gave an overview of the department's goals and strategic

direction. He described a comprehensive, integrated public safety organization encompassing police, dispatch, emergency management, threat assessment, and environmental health and safety. Chief O'Brien emphasized relationship building, professional development, and preparedness for violent incidents as key pillars. He detailed initiatives such as active shooter drills, professional development programs, and partnerships with local, state, and federal agencies for intelligence sharing.

A notable innovation is the implementation of AI-powered surveillance systems through a partnership with Volt. He explained that the system enhances real-time threat detection using the network of UT Chattanooga campus cameras. Chief O'Brien highlighted successful drills and system tests, and he shared his long-term vision to develop future leadership within the department. He reported that UT Chattanooga's police force is nearing full staffing with minimal turnover, attributing this success to a focus on staff development and a positive work culture.

Trustees expressed appreciation for his leadership and technological innovations. Chief O'Brien reported that recent recruitment had yielded 25 applicants for two open positions, a testament to the department's momentum and reputation.

NCAA Compliance Update

Mr. Daniels then introduced the next agenda item: the annual report on National Collegiate Athletics Association (NCAA) compliance. Mr. Ryan Stinnett, General Counsel, summarized the findings. Under the Board's Policy on Oversight of Intercollegiate Athletics, each NCAA Division I campus (UT Chattanooga, UT Knoxville, and UT Martin) is required to make a compliance report annually. Each report was reviewed and submitted through the Office of General Counsel. The reporting structures at all three institutions were deemed appropriate and consistent with NCAA best practices. Each compliance officer reports outside the athletics department to ensure accountability.

Mr. Stinnett confirmed that the processes for reporting and investigating NCAA rule violations were effective. Each campus self-reported multiple Level III violations—technical, limited-impact breaches that signify a functioning compliance program. The compliance teams collaborate closely with the Office of General Counsel. Mr. Stinnett noted that evolving NCAA rules, especially regarding student-athlete compensation and the *House v. NCAA* litigation settlement, may necessitate future changes in compliance practices.

The report also included staffing comparisons. UT Chattanooga (2 full-time staff) and UT Knoxville (7 full-time staff) are at or above their peer averages. UT Martin had only one compliance staff member, but Chancellor Freeman reported that a graduate assistant was recently added, and the campus is actively hiring a full-time compliance officer.

Regarding violations, UT Chattanooga had five Level III violations, UT Knoxville four, and UT Martin three. UT Martin also had multiple Level II violations related to prior NCAA investigations relating to the women's softball and soccer programs. These violations were resolved through a negotiated settlement with the NCAA. Definitions of Level II and III violations were shared to contextualize the report.

Consent Agenda

Committee Chair Jenkins called the attention of the Committee members to the information items included in the Consent Agenda (Tabs 4.1 through 4.6).

No items were removed from the Consent Agenda for discussion. A complete list of the informational items included on the Consent Agenda appears at the end of these minutes.

Other Business and Closing Remarks

With no further business to come before the Committee, the Committee Chair adjourned the public portion of the meeting and announced that the Committee would next meet in a non-public, executive session in accordance with Tennessee law to discuss confidential and/or privileged matters.

Respectfully Submitted,

/s/ Cynthia C. Moore

Cynthia C. Moore
Secretary and Special Counsel

Consent Agenda – Information Items

- Research Security – Implementation Report
- 2025 Audit Plan Update
- 2025 System Title IX Report
- Outstanding Audit Issues
- Institutional Compliance Update
- Travel Exception Report



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: July 1, 2025

Committee: Audit and Compliance

Item: **Consent Agenda**

Type: Information

Background Information

There are no action items on the Committee Consent Agenda for approval; however, certain information items have been placed on the Committee Consent Agenda. These items will not be presented or discussed in the Committee unless a Committee member requests removal of an item from the Consent Agenda. The Bylaws provide that an item will not be removed from the Consent Agenda solely for the purpose of asking questions for clarification. Those questions should be presented to the Chief Audit and Compliance Officer before the meeting. Unless there is a request to remove an information item for review or discussion, the information items will be deemed to be accepted.

The University of Tennessee
Audit Plan Status - August
For the Year Ending December 31, 2025

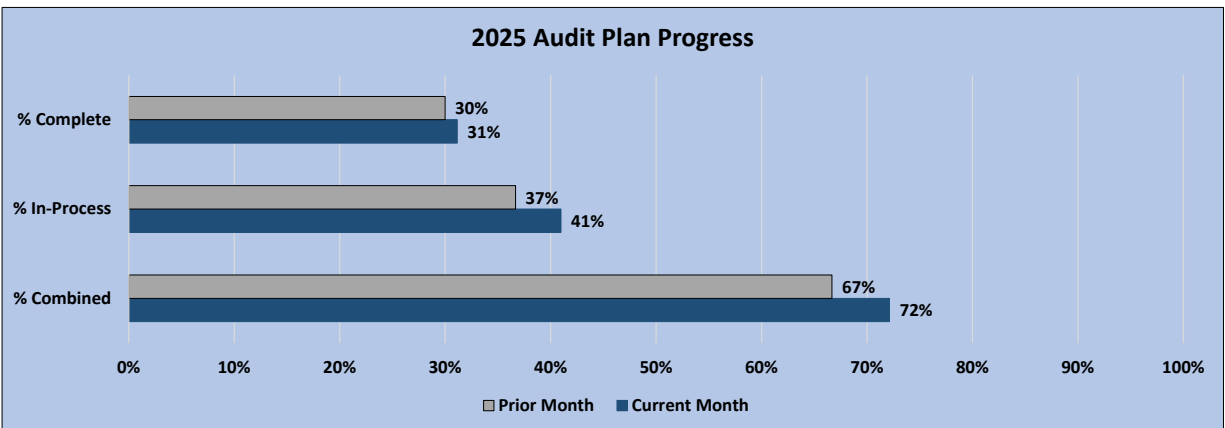
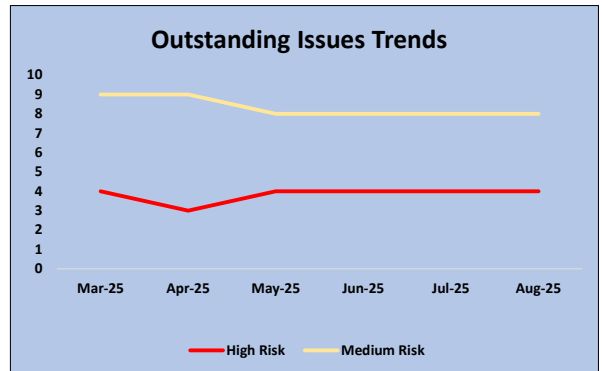
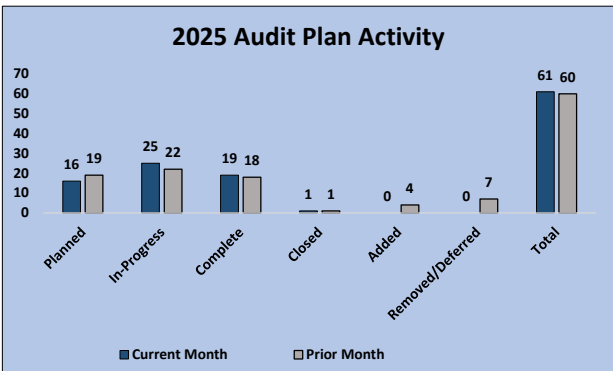
Audit Engagements	Campus	Status
Lab Safety (carryover)	UTC	Complete
4-H Center Operations (carryover)	UTK/UTIA	Complete
Facilities - Policy Compliance (carryover)	UTHSC	Complete
No Leave Monitoring (carryover)	UTC	Complete
Police Department Accreditation Audit (carryover)	UTM	Complete
UTC Police Department (carryover)	UTC	Complete
ADA Compliance	System-wide	In-Progress
ADA Compliance	UTK/UTIA/UTIPS/UTSI	In-Progress
ADA Compliance	UTM	In-Progress
ADA Compliance	UTC	In-Progress
ADA Compliance	UTHSC	In-Progress
ADA Compliance	UTS	In-Progress
Deferred Maintenance	System-wide	In-Progress
Deferred Maintenance	UTM	In-Progress
Deferred Maintenance	UTS	In-Progress
Deferred Maintenance	UTC	In-Progress
Deferred Maintenance	UTHSC	In-Progress
Deferred Maintenance	UTK/UTIA/UTSI	In-Progress
Extension Shooting Sports	UTK/UTIA	In-Progress
IT: Asset Management	UTK	Planned
IT: Windows Administration	UTK	In-Progress
Grant Compliance Audit	UTK/UTIA	In-Progress
2025 CCTA	System-wide	Planned
Office of the President	UTSA	Planned
Office of the Chancellor	UTK	Planned
Office of the Chancellor	UTHSC	Planned
Ohio Valley Conference Athletics Special Assistance Funds	UTM	Complete
PCA - Administrative Division	UTC	Planned
PCA - Academic Division	UTK	Planned
PCA - Academic Division	UTM	Planned
PCA - Academic Division	UTHSC	Planned
PCA - Administrative Division	UTS	Planned
PCA - IT Policy	UTSA	Planned

Consulting Engagements	Campus	Status
DASH System Implementation (Co-Sourced) (carryover)	System-Wide	Closed
Lab Safety (carryover)	UTS	Complete
Campus Procedure Review (carryover)	UTS	Complete
College of Social Work - Cash and Gift Card Controls (carryover)	UTK	Complete
Continuity Readiness - UT System Summary (carryover)	System-Wide	Complete
Continuity Readiness - UT IPS (carryover)	IPS	Complete
Continuity Readiness - UTSI (carryover)	UTK/UTSI	Complete
Continuity Readiness - UTK (carryover)	UTK	Complete
Continuity Readiness- UTC (carryover)	UTC	Complete
Continuity Readiness - UTS (carryover)	UTS	Complete
Continuity Readiness - UTHSC (carryover)	UTHSC	Complete
Continuity Readiness - UTIA AgResearch & Extension (carryover)	UTK/UTIA	Complete
Continuity Readiness - UTM (carryover)	UTM	Complete
HERD Data Collection Process (carryover)	System-Wide	In-Progress
Capital Construction Engagement - Outsourced (carryover)	UTSA/UTC	In-Progress
Capital Projects Management - Outsourced	System-wide	In-Progress
Internal Controls Mapping	System-Wide	In-Progress
Internal Controls Mapping	System-Wide	Planned
Internal Controls Mapping	System-Wide	Planned
Internal Controls Mapping	System-Wide	Planned
Internal Controls Mapping	System-Wide	Planned
Athletics Fundraising and Cash Collections	UTM	In-Progress
Student Mental Health Services	System-Wide	In-Progress
Construction Costs - UTK Nursing Building (outsourced)	UTSA/UTK	In-Progress
Construction Costs - UTK Neyland Renovations (outsourced)	UTSA/UTK	Planned
Animal Care and Use	UTK/UTIA	In-Progress
Security Camera Systems Access and Controls	UTM	In-Progress
Added: DASH Segregation of Duties and Sensitive Access Consultation	UTSA/System-Wide	In-Progress

Audit and Compliance
Audit Plan Overview - August
For the Year Ending December 31, 2025

Audit Report Priority Legend	
Low	A report with no reportable observations. Low-Risk observations identified are informally communicated to management.
Medium	A report with only Medium-Risk observations. Prompt action is required by management to mitigate the identified risk.
High	A report including at least one High-Risk observation. Immediate action is required, guided by senior management, to mitigate the identified risk.

Audits and Consultations Completed in Month			
Title	Campus	Type	Priority
Ohio Valley Conference Special Assistance Funds	UTM	Audit	Low





Outstanding High-Priority Audit Issues

As of Aug 31, 2025

**Internal Audit will follow up with management to confirm remediation status when due.*

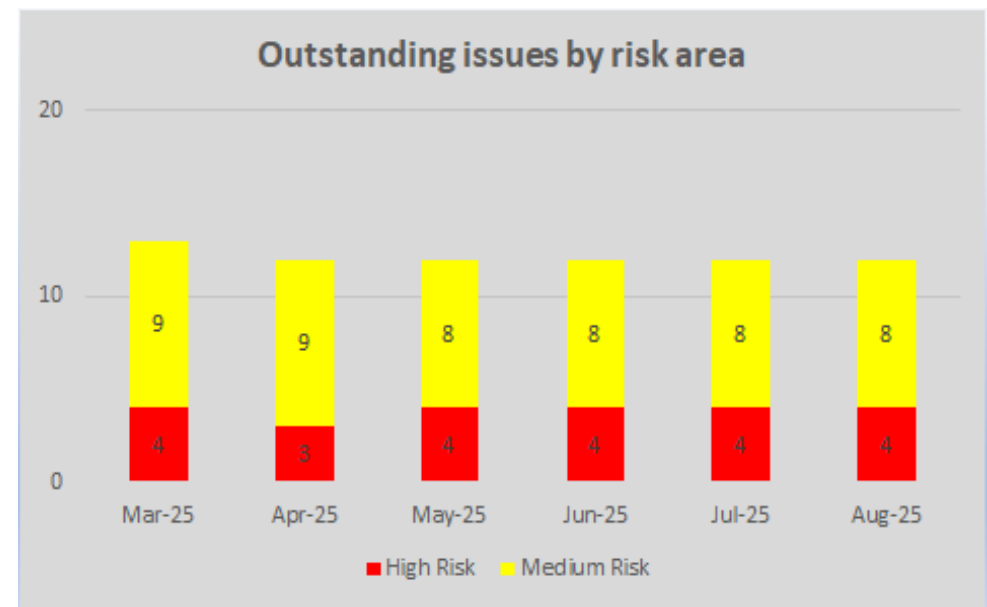
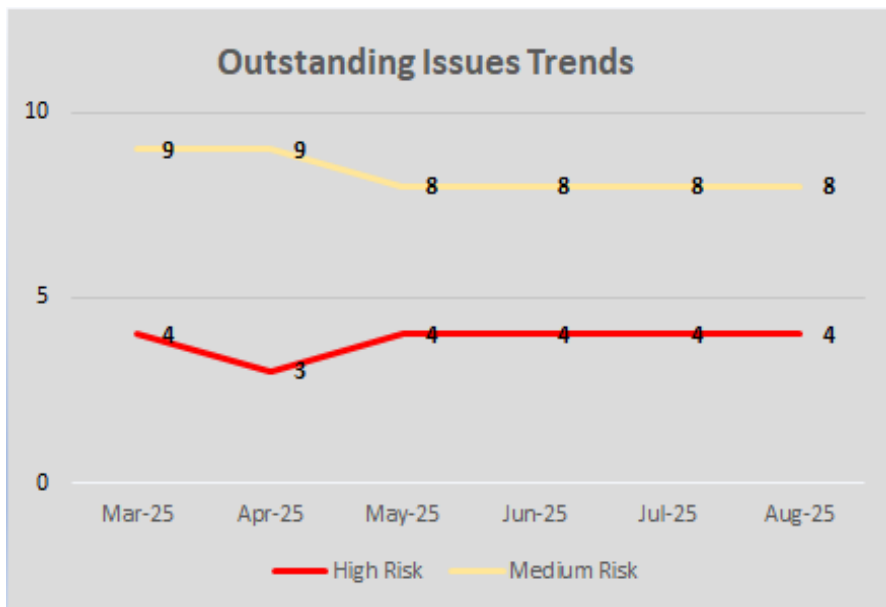
***This remediation item timeline was impacted by the availability of DASH functionality*

Campus		Audit	Issue	Report Date	Expected Remediation Date	Revised Remediation
1	UTC	College of Engineering & Computer Science	Lack of Expenditures Review	9/23/2024	10/31/2024	10/31/2025**
2	UTC	Lab Safety	Lack of Equipment Maintenance	3/13/2025	4/30/2025	10/17/2025
3	UTM	Police Department Accreditation Audit	Incomplete Evidence Room Inventory	3/24/2025	8/31/2025	10/15/2025
4	UTHSC	Facilities – Policy Compliance	Equipment Inventory Variances	5/12/2025	6/30/2025	10/15/2025



Issues by Priority Rating

As of Aug 31, 2025



Institutional Compliance Plan Update

Sarah T. Pruett, PhD

Executive Director of Institutional Compliance

October 23, 2025

Institutional Compliance Program Update

Education and Internal Excellence

- Team and subject matter expertise expansion
- Training of Special Projects & Investigations staff with the Society for Corporate Compliance and Ethics

Collaboration and Connected Risk

- Integration of ERM efforts
- DTS GRC team, Privacy Officer, and Audit and Compliance building coordination strategies for connected risk

Monitor and Communicate

- Policy and procedure development in response to regulatory changes
- Regular stakeholder awareness meetings and communication strategy

Institutional Compliance – Project Updates



Policy

- Multiple Research Policies in development
- Effort Certification Policy updated for DASH
- Current and Pending Disclosure Policy enacted (NIH)
- Environmental Health & Safety Policy (pending final approval)
- Emergency Management Policy revised to include Continuity Planning (pending final approval)

Risk Assessment

- Risk based approach to assessments and compliance monitoring (UTK to pilot)
- UT Martin and IPS Risk Assessment data review >50% complete
- Self-assessment of controls launched (637 surveys)
- Compliance reviews underway to assess and assure alignment with current state and federal expectations

Compliance Improvements

- Training materials and templates launched for formal Continuity plan completion
- Continuity rough drafts requested by October 15, 2025
- DASH Conflict of Interest annual disclosure initiative launched for 26,000+ employees and graduate students

Thank you!



UT THE UNIVERSITY OF TENNESSEE SYSTEM

**MEMORANDUM**

TO: Audit and Compliance Committee
Mr. John Compton, Chair of the Board of Trustees
Mr. Decosta Jenkins, Chair, Audit and Compliance Committee
Mr. Bill Rhodes, Chair, Finance and Administration Committee

FROM: Mr. Luke Lybrand *LL*

DATE: September 26, 2025

SUBJECT: Travel Exception Report

The Board of Trustee's policy on travel requires the university to report to the Audit and Compliance Committee any travel exceptions approved on behalf of the President, employees in the President's Office, senior-level administrators, or the Sr. Vice President and Chief Financial Officer. For the quarter ending June 30, 2025, there were no exceptions requested or approved in accordance with the Board's policy.

If you have any questions, please let me know.

c: Mr. Randy Boyd
Mr. David Miller
Mr. Brian Daniels
Ms. Cindy Moore