



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AUDIT AND COMPLIANCE COMMITTEE	
Thursday, February 26, 2026	Mooney Library
3:30 p.m. (CST)/4:30 p.m. (EST)	UT Health Science Center, Memphis, 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. [2026 Institutional Compliance Plan](#) - Action Tab 2
- V. [2026 Internal Audit Plan](#) - Action Tab 3
- VI. Presentations - Information and Discussion
 - A. [Campus Safety - UTHSC](#)..... Tab 4.1
 - B. [Enterprise Risk Overview](#) Tab 4.2
- VII. [2025 Financial and Compliance Audit Report](#) - Information/Discussion Tab 5
- VIII. [Consent Agenda](#)..... Tab 6
 - Information Items
 - A. External Audit - Management Representation Letter
 - B. Travel Exception Report
- IX. 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 or Board Secretary before the meeting.]
- X. Closing Remarks and Adjournment



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

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 October 23, 2025

The Audit and Compliance Committee of The University of Tennessee Board of Trustees met at 1:45 p.m. (EDT) on Thursday, October 23, 2025. The meeting was held at the University's system administration office located at the UT Tower, Plaza Level, 400 W. Summit Hill Drive, Knoxville, Tennessee.

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

Other Trustees Present: Hon. William E. Haslam; Ashlee C. Mallon (Student Trustee); Shanea A. McKinney; Christopher L. Patterson; William C. (Bill) Rhodes III; Donald J. Smith; J. David Wade; 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 C. Moore, Board Secretary and Special Counsel; C. Ryan Stinnett, General Counsel; Chancellor Melinda Arnold (UT Southern); Chancellor Lori Mann Bruce (UT Chattanooga); Chancellor Peter Buckley (UT Health Science Center); Chancellor Yancy Freeman (UT Martin); and Chancellor Donde Plowman (UT Knoxville). Additional members of the UT senior leadership and staff were also in attendance.

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 called the meeting to order. In the interest of time, he indicated that he would dispense with opening remarks.

Requests to Address the Board

There were no requests to address the Board assigned to be heard by the Committee.

Approval of the Minutes

Committee 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

Mr. Brian Daniels, Chief Audit and Compliance Officer, introduced the public safety update. He highlighted that the fall semester had been particularly noteworthy due to several safety-related incidents nationally and within the UT System.

Swatting Incidents

Mr. Daniels reported that during the first week of classes, UT Chattanooga received a hoax emergency call (“swatting” incident) threatening violence. Similar incidents have occurred nationally, with more than 40 such events reported across institutions of higher education.

Chancellor Lori Bruce described the August 21 incident at UT Chattanooga. Approximately 250 law enforcement personnel responded, including UT Chattanooga Police, Chattanooga Police Department, and Hamilton County Sheriff’s Office. The investigation also included members of the Tennessee Bureau of Investigation (TBI) and the Federal Bureau of Investigation (FBI). The response was described as “textbook” by responding authorities, and no injuries occurred. Chancellor Bruce reported that the alert was issued by the city police department as it received the false 911 call. She emphasized the effectiveness of coordinated training and reported that UT Chattanooga has implemented mandatory armed intruder training for all faculty and staff, with ongoing routine training planned.

Four days later, UT Knoxville experienced a similar hoax call reporting an armed individual in Hodges Library. Chancellor Donde Plowman explained that UT Knoxville Police responded very quickly. Campus camera systems and weapon detection technology confirmed no active threat. Nevertheless, police officers conducted a precautionary floor-by-floor search and cleared the building. As it was deemed to be a false report, no emergency alert was issued. Chancellor Plowman expressed appreciation for the systems in place and the swift response by the public safety team.

Mr. Daniels noted that recent national incidents have prompted continued reflection and review of campus security protocols, including planning required in connection with large campus events (e.g., invited speakers). Chancellor Plowman described security planning procedures for events expected to draw large crowds, including a three-tiered response model and coordination between student life staff and campus police.

Hazing Incident – UT Chattanooga

Mr. Daniels next addressed a hazing matter at UT Chattanooga that had received media attention. Chancellor Bruce reported that all Greek life activities were paused for approximately two weeks to allow review of policies and procedures. UT Chattanooga reaffirmed its zero-tolerance stance on hazing, conducted additional training, and convened

nearly all Greek-affiliated students for review and reset of expectations. Following completion of the review and training, Greek activities resumed.

Chair Jenkins thanked senior leadership for their commitment to campus safety and invited questions from Committee members and other attendees.

Training and Prevention Efforts

Chancellor Plowman responded that UT Knoxville has implemented comprehensive student training programs addressing hazing prevention and broader safety awareness. All incoming students are required to complete a hazing prevention module as part of their online orientation process. This module is reinforced during the first-year studies course, where students discuss the content in small classroom settings. Additional training and education efforts include bystander intervention programs, new member education within student organizations, and targeted sessions for peer mentors and student organization leaders.

With respect to active shooter preparedness, Chancellor Bruce explained that UT Chattanooga maintains a campus-wide communication and awareness campaign centered on the “Run, Hide, Fight” protocol, consistent with guidance from federal law enforcement and homeland security agencies. Posters are displayed in classrooms and campus buildings to reinforce response expectations. She indicated that the recent swatting incident demonstrated that students were generally well prepared, likely due to prior K-12 training experiences. UT Chattanooga has therefore placed additional emphasis on mandatory training for faculty and staff to ensure consistent preparedness across the campus community.

Chancellor Plowman added that UT Knoxville conducts periodic emergency response exercises led by UT Knoxville Police, involving faculty, staff, students, and facilities personnel. These exercises allow the University to evaluate emergency procedures and identify areas for improvement. Lessons learned from exercises are incorporated into updated protocols and training.

Chancellor Freeman reported that UT Martin conducts annual joint training exercises with the Weakley County Sheriff’s Department, Tennessee Highway Patrol, Martin Police Department, and UT Martin Police. These exercises include active shooter scenarios in academic buildings and direct engagement with faculty and students. In response to student feedback, the campus plans to expand the use of visible safety messaging, including posters and signage, to supplement its reliance on social media communications. Chancellor Freeman also described an annual campus safety walk conducted with students during evening hours to identify lighting or environmental concerns, with follow-up improvements made as needed.

Chancellor Buckley confirmed that UT Health Science Center follows similar protocols and works closely with the Memphis Police Department. He stated that health sciences students receive additional exposure to emergency preparedness training through affiliated hospitals and clinical settings, reinforcing campus-based safety practices.

Chancellor Arnold explained that UT Southern, which does not maintain a dedicated campus police force, is continuing to strengthen its partnerships with local law enforcement agencies. UT Southern has also implemented mandatory “Run, Hide, Fight” training and is continuing to enhance its safety infrastructure and protocols appropriate to its size and location.

Mr. Daniels emphasized that while each campus tailors its safety strategies, there is significant collaboration and sharing of best practices across the UT System. Committee members observed that despite differences in campus operations, common elements such as student onboarding training, ongoing certification for student organizations, coordinated law enforcement partnerships, and routine emergency exercises were evident across the institutions. Committee members expressed appreciation for the thoughtful and proactive efforts undertaken by campus leadership to enhance prevention, preparedness, and student safety.

Consent Agenda

Committee Chair Jenkins called the attention of the Committee members to the information items included in the Consent Agenda (Tabs 2.1 through 2.4). 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 Executive Session

With no further public business before the Committee, Committee Chair Jenkins announced that the Committee would meet in non-public executive session in accordance with Tennessee Code Annotated § 4-35-108 to review confidential matters, including audits, investigations, and litigation.

The public portion of the meeting was adjourned.

Respectfully Submitted,

/s/ Cynthia C. Moore
Cynthia C. Moore
Secretary and Special Counsel

Consent Agenda – Information Items

- 2025 Audit Plan Update
- Outstanding Audit Issues
- Institutional Compliance Update
- Travel Exception Report



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 26, 2026

Committee: Audit and Compliance

Item: **Institutional Compliance Plan 2026**

Type: Action

Presenter(s): Dr. Sarah Pruett, Executive Director of Institutional Compliance

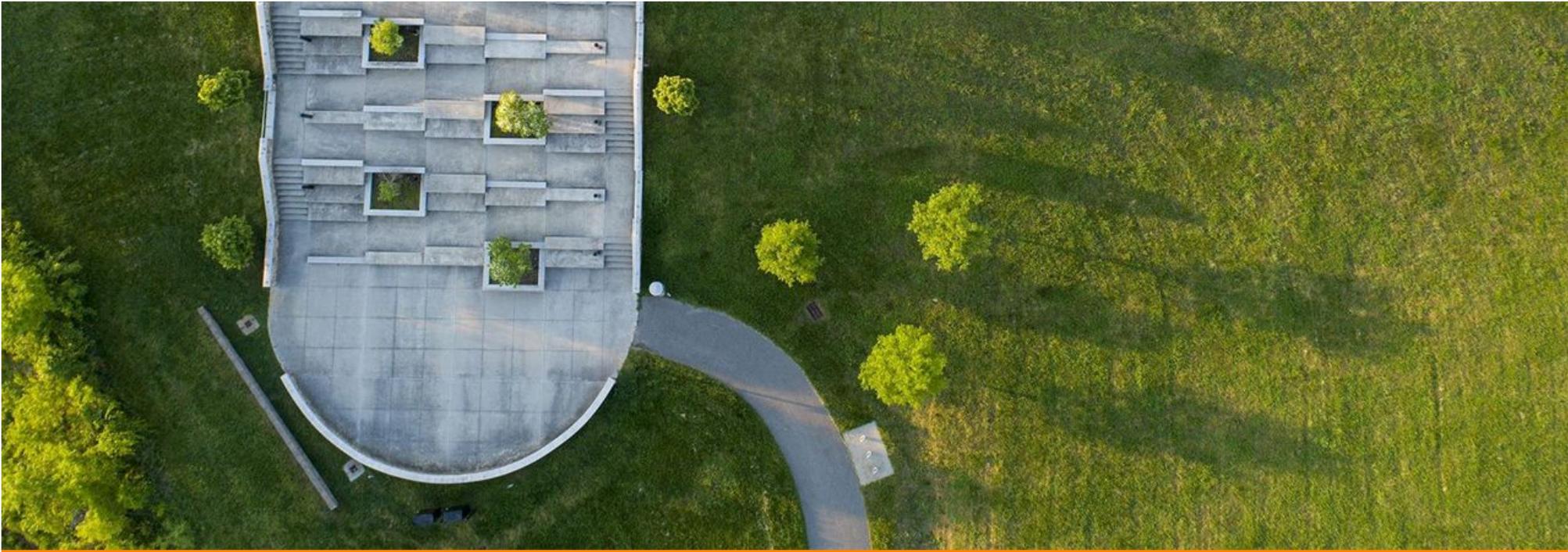
Background Information

As required by the Committee Charter for the Audit and Compliance Committee, the Committee is responsible for approving the annual institutional compliance work plan. The comprehensive plan is reflective of ongoing compliance initiatives at the various campuses, institutes, and system levels.

A copy of the proposed Institutional Compliance Plan 2026 is attached for the Committee's consideration.

Committee Action

The Committee Chair will call for a motion recommending the adoption of the Institutional Compliance Plan 2026, as presented in the meeting materials.



2026 Institutional Compliance Plan

Sarah T. Pruett, PhD



2025 Institutional Compliance Highlights

- SURVEYED 637 DEPARTMENTS FOR TN FINANCIAL INTEGRITY ACT
- ANNUAL DISCLOSURE PROCESS FOR ALL EMPLOYEES
- DEVELOPED NEW RISK ASSESSMENT STRUCTURE
- LAUNCHED RESEARCH SECURITY COUNCIL
- CONTINUITY PLANS FOR ALL CAMPUS AND INSTITUTES
- UTM AND IPS COMPLETED RISK ASSESSMENT REVIEWS
- SPECIAL PROJECTS & INVESTIGATIONS TEAM (93 CASES COMPLETED OR REFERRED)

2026 Compliance Initiatives

A connected, risk-based approach to Institutional Compliance



Ethics and Outreach Sets expectations and reinforces a culture of integrity through communication and engagement.



Policy Development Establishes clear, consistent standards aligned with regulatory requirements and institutional priorities



Monitoring Identifies risk, assesses effectiveness, and informs continuous improvement through coordinated oversight.



Team Development Builds capacity and sustainability through training, cross-functional collaboration, and shared accountability.

Institutional Compliance



Risk mitigation: ADA web compliance support, Privacy awareness training and resources, and fraud and compliance awareness trainings



Coordinated effort to review and revise University policies



Launch risk-based compliance assessment processes
Implement compliance monitoring for routine activities



Expand breadth and depth of staff subject matter expertise in regulatory compliance



Research Compliance



Guidance and resource development for regulatory changes



Research Security Program policies



Pilot monitoring program for award certifications



Hiring and cross-training office staff in research

Environmental Health & Safety and Emergency Management



Tabletop exercises to refine continuity plans



Policy and procedure development per updated EHS and EM framework policies; drone policy finalization



Begin tracking EH&S KPI's: Losses, Regulatory Compliance and Assessments, Stakeholder Engagement



Assessment of EHS programs by IPS's CIS including a training review for safety officers



QUESTIONS



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 26, 2026
Committee: Audit and Compliance
Item: **2026 Internal Audit Plan**
Type: Action
Presenter(s): Andrea Addis, Executive Director of Internal Audit

Background Information

As required by the Committee Charter for the Audit and Compliance Committee, the Committee is responsible for approving the comprehensive annual audit plan.

The proposed comprehensive annual audit plan (2026 Internal Audit Plan) incorporates key performance indicators associated with the 2026-2028 Internal Audit Strategic Goals (Operational Excellence, Measurable Value, Team Excellence, and IT Audit Assurance), new audit and consulting projects, as well as ongoing projects carried over from the approved 2025 audit plan. This plan is reflective of the current risk environment, compliance topics, and engagements required by policy or statute, which are intended to add value to the organization and its governance structure.

A copy of the proposed 2026 Internal Audit Plan is attached for the Committee's consideration.

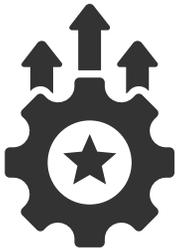
Committee Action

The Committee Chair will call for a motion recommending the adoption of the 2026 Internal Audit Plan, as presented in the meeting materials.

2026 Annual Internal Audit Plan



2026-2028 Internal Audit Strategic Goals



Operational Excellence

- Standardized Audit Life Cycle
- Objective Reporting
- Continuous Improvement



Measurable Value

- Strategic Advisory
- Risk-Based Planning
- Stakeholder Engagement & Feedback



Team Excellence

- Professional Growth
- Alignment of Expertise
- Research Audit Proficiency



IT Audit Assurance

- Strategic IT Partnerships
- Technical Control Mastery
- Standardized Audit Cycle

Key Performance Indicators

Operational Excellence

KPI	2025 Baseline	Annual Target
Audit Plan Progress	100% progress / 79% complete	100% progress / 85% complete
Internal QA Results	---	90-day corrective action
Internal QA Coverage	---	70% of audit projects

Measurable Value

KPI	2025 Baseline	Annual Target
Audit / Consulting Mix	34% consulting projects	30% - 40% consulting projects
Project Coverage	64% ERM coverage	75% ERM / strategic plan
Internal Controls Coverage	1 process	5 processes
Management Action Rate	100% response rate	100% response rate
Customer Feedback	---	Average 3.0 out of 4.0

Key Performance Indicators

Team Excellence

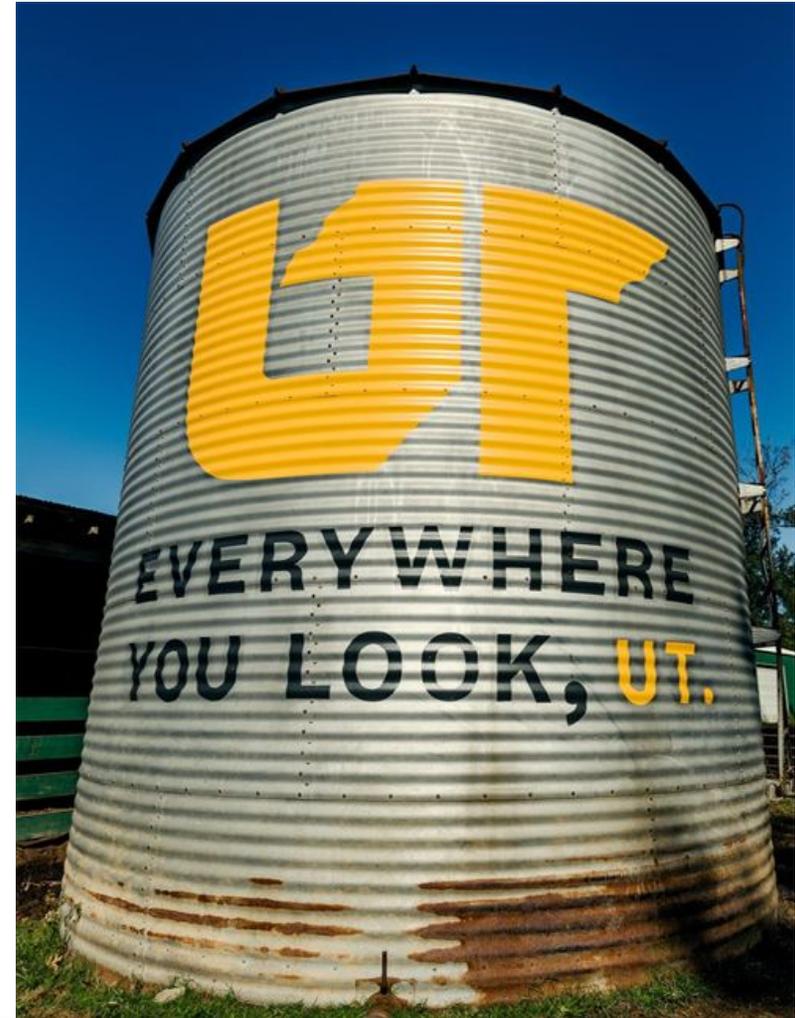
KPI	2025 Baseline	Annual Target
Staff Training Hours	40 hours	40 hours
Internal Trainings	---	8 hours
Certified Advanced Staff	87%	90% or higher
Research Expertise	---	at least 1 senior

IT Audit Assurance

KPI	2025 Baseline	Annual Target
Automated Controls Evals	---	4 evaluations

Categories of Work

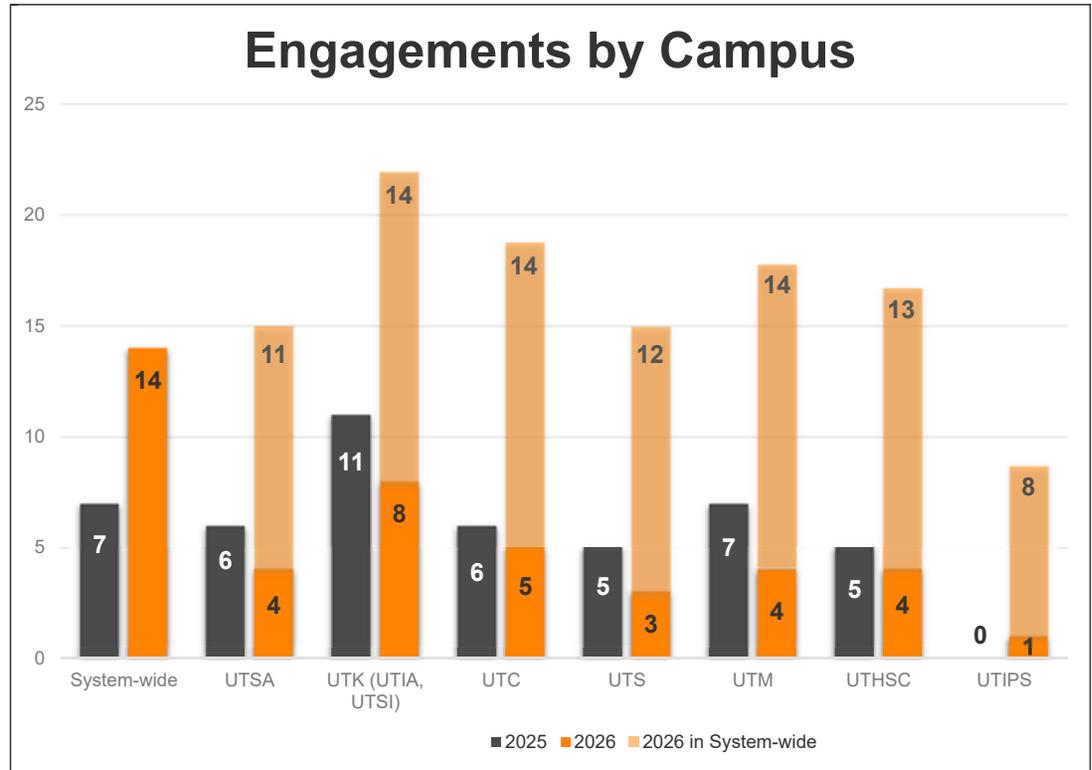
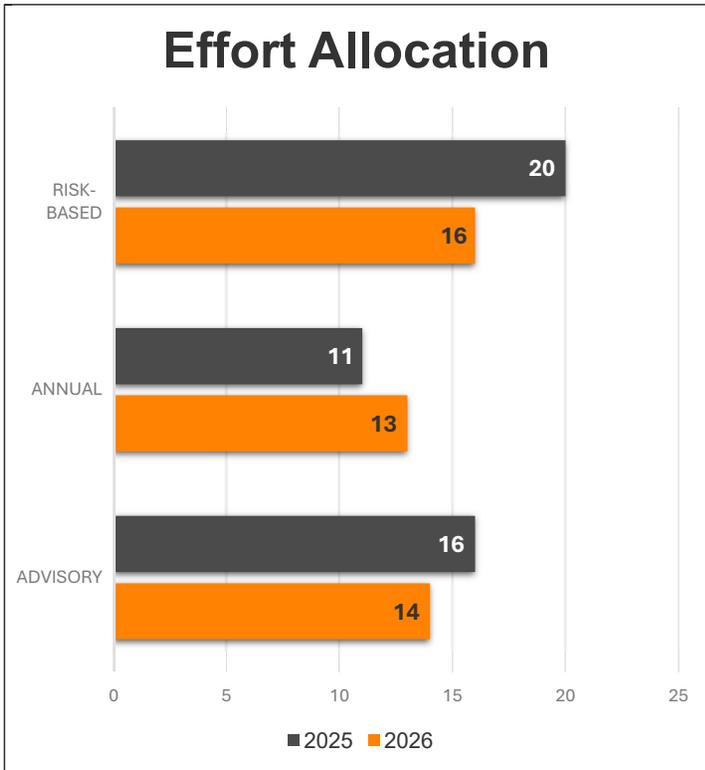
1. Risk-Based Audits
 - Planned engagements based on evaluation of risk environment
2. Annual Audits
 - Required by statute, administrative policy, or management agreements
3. Advisory Services
 - Requested and agreed-upon consulting projects to add insight and foresight

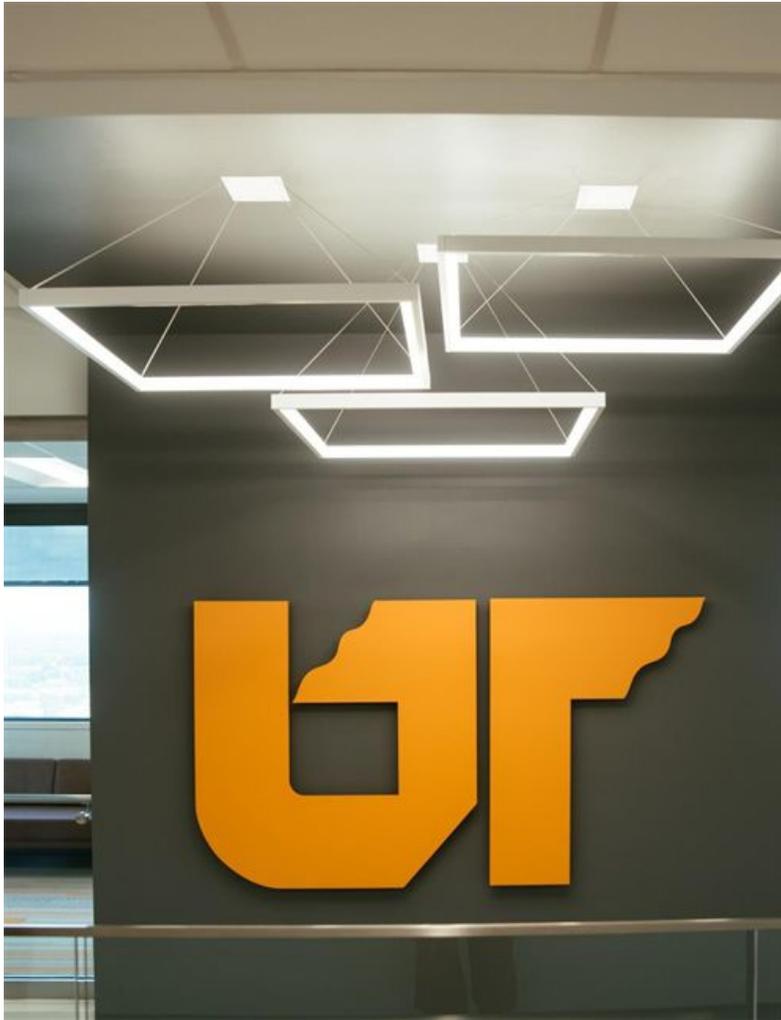


Effort

Effort Type	2025		2026		Variance
Risk-Based Audits	20	43%	16	37%	(6)%
Annual Audits	11	23%	13	30%	7%
Advisory Services	16	34%	14	33%	(1)%
Total	47	100%	43	100%	

Effort





Risk-Based Approach

78%

Projects align with an enterprise risk

72%

Enterprise risks addressed in audit projects

Risk-Based Projects - Planned

Risk-Based Audit		Campus	Risk-Based Audit		Campus
1	Research Freezers	System-wide	10	Anatomical Gifts Compliance	UTK
2	Name, Image, Likeness Compliance	System-wide	11	Camps and Clinics	UTC
3	Background Checks	System-wide	12	Student Fees	UTC
4	Effort Certification	System-wide	13	NAIA Compliance	UTS
5	Off-Campus Buildings Maintenance	System-wide	14	Controlled Substances	UTHSC
6	Third-Party Risk Management	UTSA	15	HIPAA Data Security	UTHSC
7	Radiation Safety	UTK	16	Camps and Clinics	UTM
8	Building Access Controls	UTK	17	Grant Compliance Audit (Carryover)	UTK(UTIA)
9	VolShop	UTK			

Risk-Based Projects - Bench

Risk-Based Audit		Campus
1	Anatomical Gifts Compliance	UTHSC
2	Camps and Clinics	UTK
3	UTC Bookstore	UTC
4	Camps and Clinics	UTS
5	Scholarship Eligibility	UTM
6	Student Fees	UTM

Annual Audits

	Statutory or Regulatory Required Audits	Campus
1	2026 Complete College Tennessee Act	System-wide
2	Office of the President	UTSA
3	Office of the Chancellor	UTC
4	Office of the Chancellor	UTS
5	Office of the Chancellor	UTM
6	Ohio Valley Conference Special Assistance Funds	UTM

Policy Compliance Audits			
Campus Division/Institute	2025	2026	2027
UTC Administrative Division	X		X
UTC Academic Division		X	
UTK Administrative Division	X		X
UTK Academic Division		X	
UTM Administrative Division		X	
UTM Academic Division	X		X
UTHSC Administrative Division		X	
UTHSC Academic Division	X		X
UTS Administrative Division	X		X
UTS Academic Division		X	
IPS or Other Institute		X	
IT Policy	X	X	X
Total Projects	6	7	6

Advisory Service Projects - Planned

Advisory Project		Campus	Advisory Project		Campus
1	Internal Controls - General Ledgers	System-wide	10	Construction Costs - Lindsey Nelson Stadium (Co-sourced)	UTK
2	Internal Controls - Payroll	System-wide	11	Campus Project Funding Authority	UTSA
3	Internal Controls - Accounts Payable	System-wide	12	UTIA International Travel	UTK(UTIA)
4	Internal Controls - Contracting	System-wide	13	Facilities Maintenance and Repair Business Process	UTK
5	Internal Controls - P Cards	System-wide	14	International Travel	UTC
6	Internal Controls - Sponsored Project Accounting	System-wide	15	Internal Controls - Marketplace (Carryover)	UTSA
7	Internal Controls - Terminations	System-wide	16	Construction Costs - UTK Nursing (Co-sourced) (Carryover)	UTK
8	Student Organization Bank Accounts	System-wide	17	Construction Costs - Neyland Renovations (Co-sourced) (Carryover)	UTK
9	DASH Risk Management Console	UTSA			

External Quality Assurance Assessment

- External peer review late fall/winter 2026
 - Measuring conformance with Global Internal Audit Standards effective January 2025
 - 5-year cycle
- Internal quality assurance project early 2026
 - Led by IIA certified Quality Assessor



THANK YOU!



THE UNIVERSITY OF
TENNESSEE
HEALTH SCIENCE CENTER.

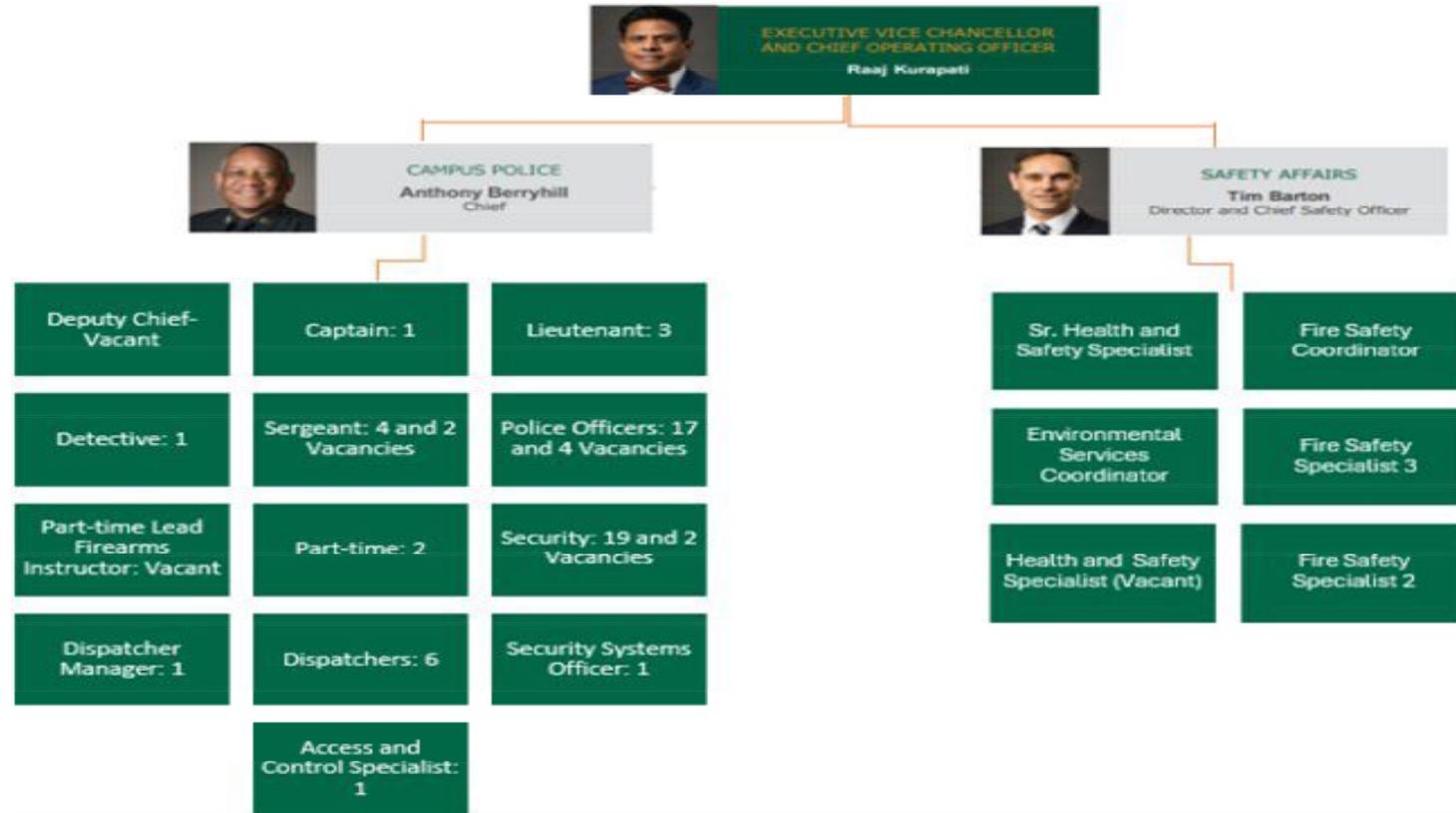
Campus Safety and Security Strategy

Raaj Kurapati, Executive Vice Chancellor & COO
Anthony Berryhill, Chief of Police

Key components to our safety security strategy

1. **Strategic investments in physical infrastructure & personnel**
 - Emergency Response Operations Center (upgraded in 2024) - \$400K
 - Campus perimeter fencing projects (launched in 2025) - \$1.5M
 - Campus security lighting project (launched in 2025) - \$1.5M
 - Demolishing unoccupied building (s) – Holiday Inn \$12M and strategic acquisition of property – (in process \$4M)
 - Strategic compensation increases for Police Services staff - \$250K
 - Upgrading campus access controls (FY27 - \$2.5M)
2. **Leveraging Technology**
 - Camera upgrades (AI/Machine Learning) and use of cameras integrated with Memphis Police Department
3. **Strategic deployment of deputized officers and security personnel**
4. **Strong partnership and collaboration with city, county, and state agencies**
 - Highly complimented community oriented/pleasing policing approach, critical to our overall strategy.

Police Services and Campus Safety Organizational Structure

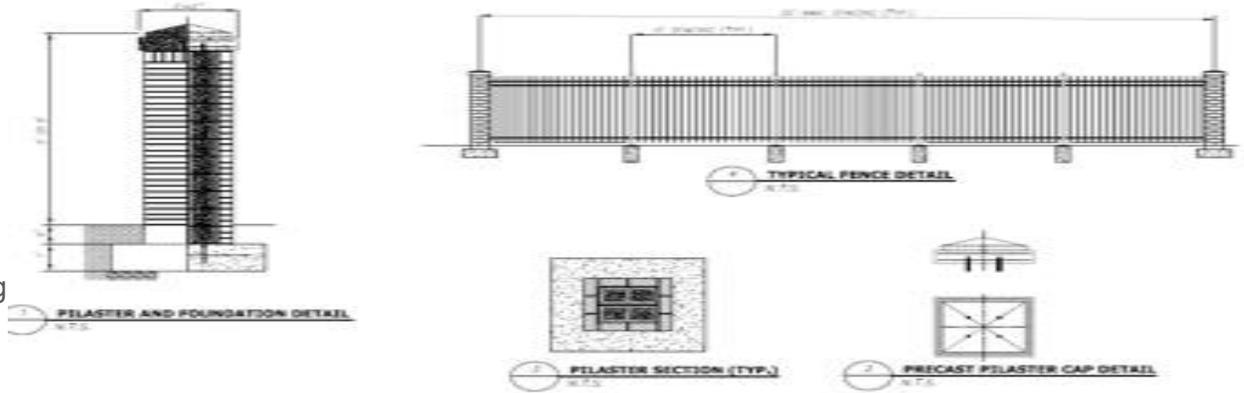


Campus Perimeter Upgrades

Fencing Project

- Objectives
 - Demarcate university from surroundings
 - Highlight university presence
 - Provide additional physical security

Note: Focus is on high-risk areas e.g., parking lots and outer campus perimeter
- Status: In-Progress/Completion: 5.25.26

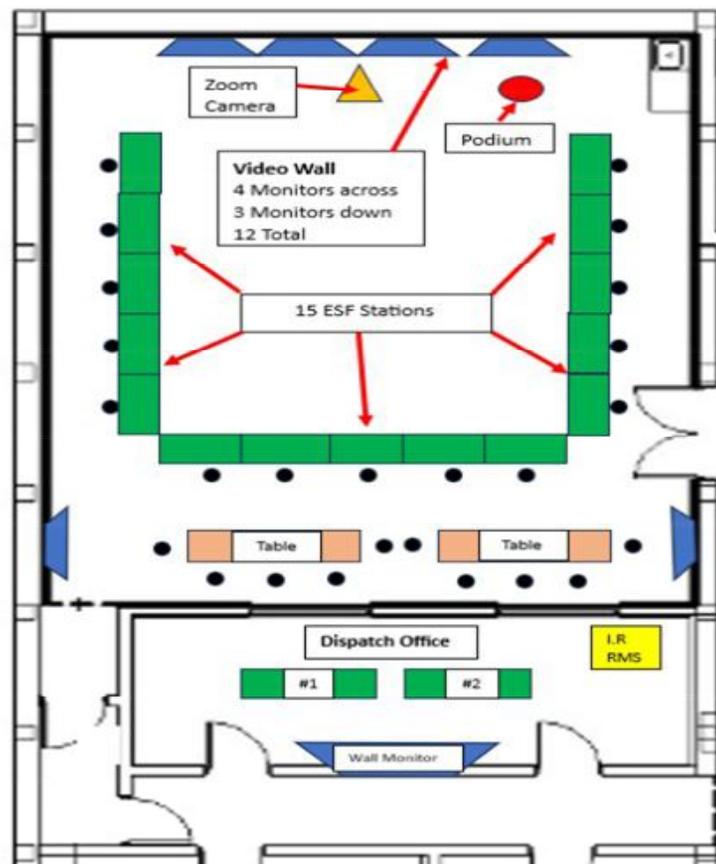


Security Lighting Project

- Objectives:
 - Enhanced visibility
 - Targets parking lot security
- Status: In-Progress/Completion: 6.1.26



Emergency Operations Center (EOC)



Leveraging Technology

- Reviewed camera placement to eliminate redundancies (FY25).
- Enhanced incident recognition using upgraded software.
- Enhanced security footage.
- Invested in automated alerting to support Dispatch decision management.
- Transitioning to mobile app access for all campus facilities.



Strategic Deployment of Security Personnel

Prioritized, Data-Driven Patrol Deployment

- Risk-based patrol zones
- Time-of-day deployment adjustments
- Integrated police-security coordination
- Enhanced visibility strategies

Strengthen Operational Continuity & Response Capacity

- Three-shift command oversight
- Unified communications center
- Specialized role utilization
- Flexible response teams

Community Centered Safety & Prevention Strategy

- Proactive engagement patrols
- Safety escort optimization
- Partnership-driven prevention
- Training and readiness focus

Questions

See Something! Say Something!



2026 Top Risks

February 2026



2026 United Educators Top Risks	
1	Admissions & Retention / Enrollment Mgt.
2	Data Security/Cybersecurity
3	Regulatory Compliance
4	Operational Pressures / Effectiveness
5	Facilities & Deferred Maintenance
6	Funding & Financial Stability
7	Student Mental Health
8	Recruitment & Hiring
9	Public Safety
10	Athletics
<i>267 Colleges and Universities</i>	



2026 Top Risks Report:
Insights for Higher Education

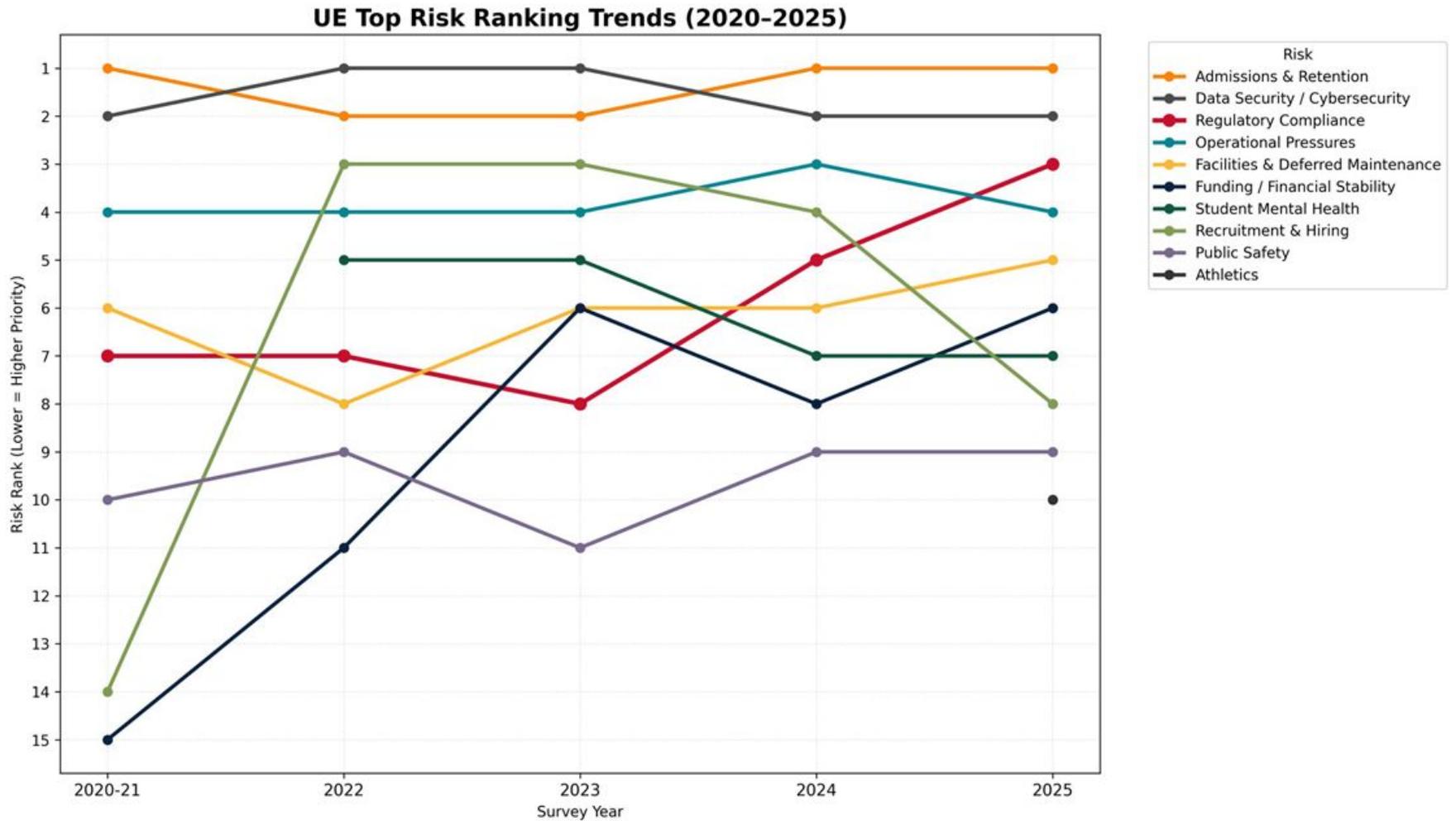


Ranking Changes Over Five Years

United Educators

Rank	Current Top Risks	Rank in 2024	Rank in 2023	Rank in 2022	Rank in 2020-21
1	Admissions and Retention	1	2	2	1
2	Data Security/Cybersecurity	2	1	1	2
3	Compliance (Non-Title IX/VAWA)	5	8	7	7
4	Operational Pressures	3	4	4	4
5	Facilities and Deferred Maintenance	6	6T	8	6
6	Funding/Financial Stability	8	6T	11	15
7	Student Mental Health	7	5	5	New in 2022
8	Recruitment and Hiring	4	3	3	14
9	Public Safety	9	11	9	10
10	Athletics	Not ranked	Not ranked	Not ranked	Not ranked

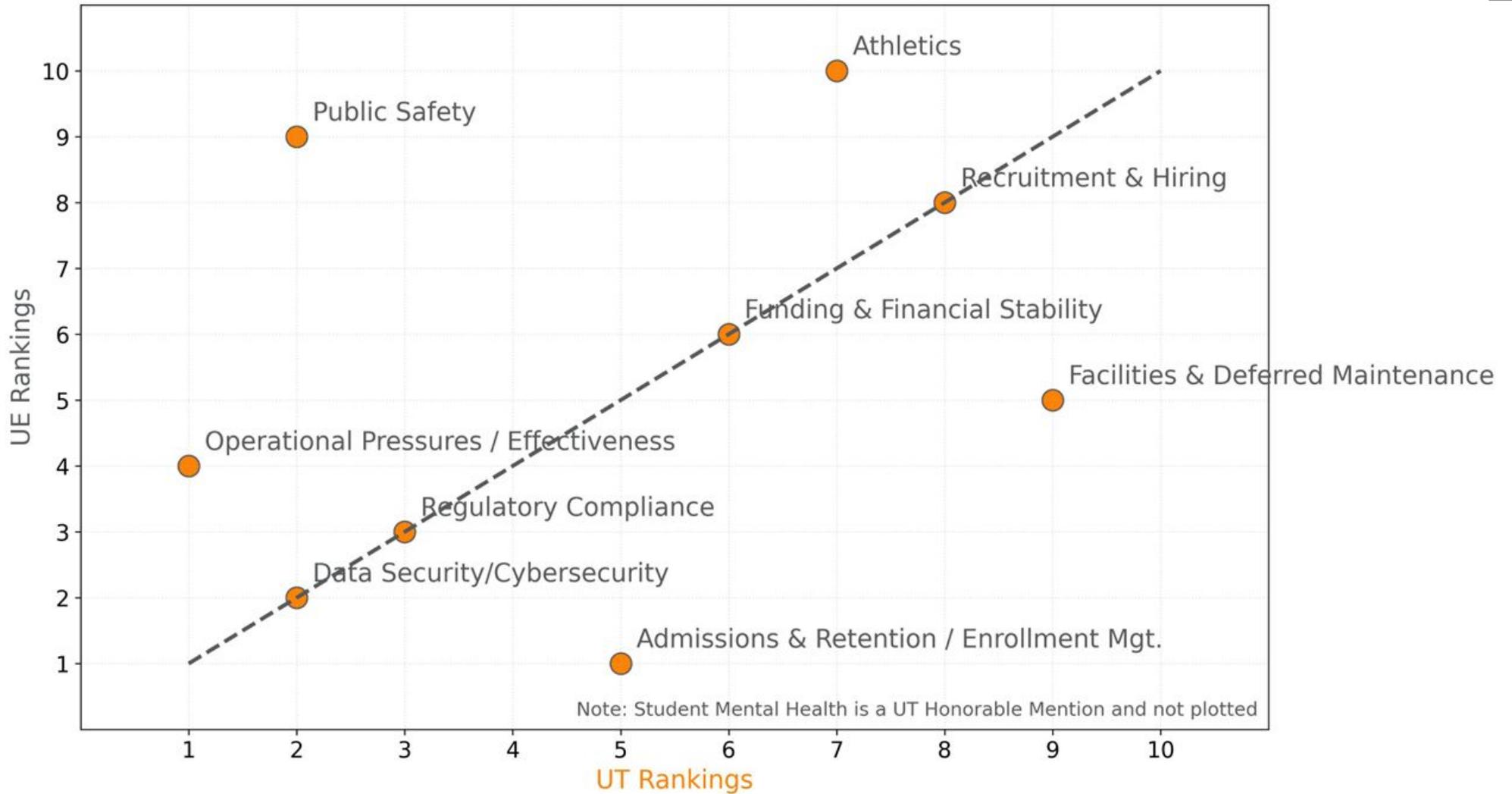
T- ranking tie





UT Risk Assessment Themes
DASH & Operational Effectiveness
Safety & Security (campus, lab, minors, research, IT)
Regulatory compliance environment
Operational alignment
Growth management (enrollment, research, donors)
Funding (state funding, internal funding)
Athletics
HR - hiring, retention, training, resources
Physical Infrastructure
Policy and Policy Governance
Student Information system
100+ Senior Leaders System, Campuses, & Institutes

UT vs. UE Risk Crosswalk



QUESTIONS



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 26, 2026

Committee: Audit and Compliance

Item: **Financial and Compliance Audit Report**

Type: Discussion

Presenter(s): Brian Daniels, Chief Audit and Compliance Officer

Background Information

On February 23, 2025, the Division of State Audit, Tennessee Comptroller of the Treasury, released a financial and compliance audit of the University for the year ended June 30, 2025. A copy of the full report is posted and available at: [Financial and Compliance Audit Report](#).

This item is being presented for the Committee’s review and discussion.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 26, 2026
Committee: Audit and Compliance
Item: **Consent Agenda**
Type: Information

6

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.

Information Items

- A. External Audit - Management Representation Letter
- B. Travel Exception Report