



THE UNIVERSITY OF TENNESSEE  
BOARD OF TRUSTEES

MINUTES OF THE AUDIT AND COMPLIANCE COMMITTEE

May 8, 2020  
Knoxville, Tennessee

The Audit and Compliance Committee of The University of Tennessee Board of Trustees met at 10:30 a.m. (EDT) on Friday, May 8, 2020. Following continuing guidance from the U.S. Centers for Disease Control and Prevention (CDC) regarding COVID-19 and in compliance with the Tennessee Pledge and other state and local guidelines, the meeting was held virtually with Committee members participating electronically or by telephone. The meeting was hosted from the University of Tennessee, Knoxville campus.

**I. Call to Order**

Ms. Amy Miles, Committee Chair, called the meeting to order.

**II. Roll Call**

Board Secretary, Cynthia C. Moore, called the roll, and the following members of the Committee were present: Amy E. Miles, Bradford D. Box, John C. Compton, D. Crawford Gallimore, and Decosta E. Jenkins.

Others present included: President Randy Boyd; Brian Daniels, Chief Audit and Compliance Officer; David Miller, Chief Financial Officer; Ryan Stinnett, General Counsel; Tiffany Carpenter, Vice President for Communications and Marketing; Mark Paganelli, Treasurer; staff members from the Office of Audit and Compliance ("OAC"); and other members of the UT administrative staff. The meeting was webcast for the convenience of the University community, the general public, and the media.

Ms. Moore addressed the Open Meetings Act requirements for meetings conducted with members participating electronically and announced the presence of a quorum.

**III. Consent Agenda**

Chair Miles asked whether any Committee member would like to remove an information item from the Consent Agenda for discussion. Hearing no requests, she called for a motion that the minutes of the February 3, 2020 meeting be approved as presented in the meeting materials. Upon motion duly made and seconded, a roll call vote was taken, and the minutes were approved.



#### **IV. UT System Title IX Annual Report**

##### Title IX Regulations Update

Mr. Brian Daniels, Chief Audit and Compliance Officer, introduced Dr. Ashley Blamey, UT System Title IX Coordinator. Dr. Blamey began her remarks by providing an update on the proposed Title IX regulations issued in 2018. She noted that the U.S. Department of Education received over 124,000 public comments during the rulemaking period. The final regulations are over 2,000 pages long. While the team had studied the proposed regulations, there has been significant revisions made between the proposed and final regulations. Dr. Blamey informed the members of the Committee that the effective date of the final regulations is August 14, 2020, and she outlined the implementation plan for addressing the new regulations.

##### Title IX Annual Report

Dr. Blamey reminded the Committee that the Title IX Annual Report (Report) came as a recommendation of the 2017 Title IX Commission, which was an external review. For the last three years, the University has worked across the system to demonstrate its Title IX commitment. The University's approach is based on the Social-Ecological Model developed by the CDC. The model focuses on five key areas: (i) policy; (ii) prevention and education; (iii) support and interim measures; (iv) investigation and resolution; and (v) patterns and trends. The purpose of the Report is to share information pertaining to the work of the UT System and the individual campuses. Dr. Blamey indicated that she was especially proud of the cross-collaboration that occurred during the last year. Accomplishments included the development of internal quarterly reports, the standardization of data collection, and the creation of a streamlined Title IX Policy. It was explained that the Title IX Policy is not a system-level policy, but a shared policy. The same definitions, processes, and procedures apply, with certain customizations that address items that are unique to the campuses.

In response to a question from Committee Chair Miles, Dr. Blamey confirmed that the Report is not a regulatory requirement; it is intended to support the University's transparency efforts in this area.

#### **V. UT System Clery Act Compliance Update**

Dr. Blamey also provided an update on Clery Act Compliance. She stated that it was identified as an area of particular interest under the University's audit plan, as well as the performance audit conducted by the Office of the Comptroller. Dr. Blamey discussed the intersection of and primary differences between Title IX and the Clery Act.



In addition, Dr. Blamey provided an overview of the Clery Act requirements, the significance of the annual safety reports (especially as it relates to accurate data reporting), and the risks associated with failing to meet the requirements of the Act. In order to advance the Clery compliance function, Christina Moradian, who currently serves as Deputy Title IX Compliance Coordinator, will be taking on an expanded role serving as the UT System Clery Compliance Coordinator.

Following the presentation, the Administration responded to questions from Committee members relating to: (i) the University's ability to support change management associated with the new Title IX regulations; (ii) the sufficiency of the resources being allocated to enhance Clery reporting; (iii) the qualifications of the personnel; and (iv) the opportunity to improve standardization and quality through the new organizational structure.

## **VI. COVID-19 Updates**

### UT System FEMA COVID-19 Claim

Mr. Daniels introduced Ms. Judy Burns, Associate Director of Internal Audit, who is transitioning to a new role as the University's Enterprise Risk Officer. Ms. Burns advised that, on March 13, 2020, President Trump declared COVID-19 pandemic to be a national emergency. In connection with this declaration, the Federal Emergency Management Agency (FEMA) has been authorized to provide federal assistance, which has been made available to the individual states. The Tennessee Emergency Management Agency (TEMA) is responsible for managing this funding on behalf of the State of Tennessee. The University is eligible to apply for certain COVID-related relief through TEMA and is required to submit a single claim for the entire UT System.

Ms. Burns provided an overview of the funding and claim process, noting that the funding will not cover all the University's COVID-related expenses, but that it does provide a measure of relief for certain expenses. The University will have to provide support for the claimed expenses, and the federal government will reimburse up to 75% of such expenses. The state may provide some financial assistance with a portion of the University's 25% cost share; however, this remains to be determined. The initial date for the expenses has been identified as January 20, 2020, and the end date has not yet been identified by FEMA. The expenses fall within four categories: (i) labor; (ii) materials and supplies; (iii) equipment; and (iv) fees and contracts. Ms. Burns also discussed the distinctions between submitting a claim through FEMA/TEMA and funding available under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Following her presentation, Ms. Burns responded to questions from the members of the Committee regarding the classification of specific types of expenses and the possible reimbursement available through the various federal programs.



### OAC Priorities & Risk Identification

Committee Chair Miles requested that Mr. Daniels provide an update on impacts to the work of the Office of Audit and Compliance (OAC) in light of the pandemic. Mr. Daniels discussed emerging risk considerations, due to, among other things, the University's new remote operating environment and the implications as it relates to faculty, staff, and students. In this regard, information technology (IT) security has been identified as an elevated area of focus. Also, as "standard" business processes have been impacted, it will be important to assess changes in processes to ensure that appropriate measures of control remain in place. Such risk considerations will continue to inform the priorities of the audit plan.

Mr. Daniels also discussed the direct impacts on the work of the OAC. He highlighted challenges (i.e., remote physical security audits) and opportunities (i.e., improved communications) that have arisen through the expanded use of technology (e.g., zoom).

### Committee Work Plan

Mr. Daniels indicated that the Audit and Compliance Committee has had a long-standing practice of executing against a detailed work plan, but that there is an effort to develop work plans for other standing committees of the Board. For consistency, a new format has been proposed for all of the committee work plans. Mr. Daniels asked Board Secretary, Cynthia Moore, to provide additional information as to the approach that has been used to develop the work plans. Ms. Moore explained that the work plan consists of two parts: (i) a narrative description of roles and responsibilities as reflected in each committee charter; and (ii) a chart that summarizes the types of items presented to each committee and the timing for such presentations (annual, periodic, etc.).

Committee Chair Miles thanked Mr. Daniels and Ms. Moore for the work performed in preparing the draft work plan. She stated that the work plan will serve as a useful tool for planning efficient meetings and for addressing the Committee's many important responsibilities. It is anticipated that the development of the Committee's work plan will be an iterative process.

### Committee Schedule

Lastly, Mr. Daniels requested that Ms. Moore discuss a potential change in the Committee's meeting schedule. Ms. Moore advised that, as part of her individual conversations with various members of the Committee, she solicited feedback as to whether the trustees' time was being used effectively and whether any adjustments to the Board/Committee calendars should be considered. As a result of these discussions, it has been suggested that the Committee's schedule be aligned to coincide with the full Board meetings.



**VII. Other Business** (none brought to the Committee Chair's attention prior to the meeting)

**VIII. Adjournment**

There being no further business to come before the Committee, the Committee Chair adjourned the meeting.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Cynthia C. Moore".

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Cynthia C. Moore  
Secretary and Special Counsel

Approved Consent Agenda Items

- Minutes of the Prior Meeting (February 3, 2020)

List of Information Items Presented to the Committee

- 2020 Audit Plan Update
- Compliance Program Update
- Outstanding Audit Issues
- Travel Exception Report