Meeting of the Tennessee State University Board of Trustees
Audit Committee
September 10, 2026
Tennessee State University

MINUTES

Committee Members Present: Trustees Dimeta Smith Knight, Terica Smith, and Dakasha Winton. Other Board members present: Trustees Jeffery Norfleet, Marquita Qualls, Charles Traughber, Leticia Towns, Venkataswarup Tiriveedhi

University Staff Present: President Dwayne Tucker; Ginette Brown, Interim General Counsel and Board Secretary; April Robinson, Chief Finance Officer; Sterlin Sanders, Interim Chief Information Officer; Eric Stokes, Vice President of Enrollment Management; Erik Schmeller, Interim Provost and Vice President of Academic Affairs; Will Radford, Assistant Vice President for Campus Planning, Design, and Construction; Jerod Holloway, Internal Audit

I. CALL TO ORDER

Committee Chair Smith Knight called the meeting to order at 3:26 p.m.

II. ROLL CALL

Committee Chair Smith Knight requested that Secretary Brown conduct the call. The following committee members were present: Trustees Dimeta Smith Knight, Terica Smith, Trustee Winton. Following the roll call, Secretary Brown determined that a quorum was present.

III. OPENING REMARKS BY THE COMMITTEE CHAIR

Committee Chair Smith Knight welcomed attendees and emphasized the Committee's fiduciary responsibility to ensure the continuity and integrity of the University's internal audit function. She reported that the function had been inactive for several months and that the University needed resources capable of immediately addressing the workload, completing outstanding items from the previous audit plan, and strengthening the function through investments in technology and systems.

Chair Smith Knight reported that she had participated in several meetings to identify outstanding audit matters and upcoming deadlines and had maintained direct communication with the State Audit Director. She also attended weekly audit status meetings to monitor progress toward resolving recurring audit findings and fostering transparent working relationships between auditors and University staff. These efforts resulted in an extension for submitting a critical corrective action report.

To address immediate deadlines and staffing needs, Chair Smith Knight met with the University's Procurement Director to discuss the cooperative agreement process and consulted with the Office of General Counsel and the President regarding outsourcing the internal audit function. Weaver and Tidwell LLP were selected based on its experience in higher education, audit and information technology capabilities, available resources, and ability to begin work promptly.

IV. ADOPTION OF AGENDA

Trustee Smith moved to adopt the agenda as presented. The motion was seconded by Trustee Winton. A voice vote was taken, with all present Committee members voting in favor of the motion. The motion passed unanimously.

V. APPROVAL OF MINUTES: MAY 14, 2026, AUDIT COMMITTEE MEETING

Trustee Winton moved to recommend that the full Board approve May 14, 2026, Audit Committee meeting minutes. The motion was seconded by Trustee Smith. A voice vote was taken, with all present Committee members voting in favor of the motion. The motion passed unanimously.

VI. APPROVAL OF THE FY27 INTERNAL AUDIT PLAN

Committee Chair Smith Knight introduced the agenda item concerning the proposed FY27 Internal Audit Plan and invited Alyssa Martin and Jerod Holloway of Weaver and Tidwell LLP to present an overview of the firm's engagement, the proposed audit plan, and the activities planned to reconstitute and strengthen the University's internal audit function prior to consideration of the action by the Committee.

Trustee Traughber requested clarification regarding Weaver and Tidwell LLP's selection and who made the final decision. Committee Chair Smith Knight explained that the Audit Charter addressed the hiring of an internal auditor but did not specifically address outsourcing the function. Given the University's immediate needs, the Chair and University staff consulted with the Office of General Counsel and the Procurement Director. The University utilized a cooperative agreement that allowed it to consider firms with previously established pricing rather than conduct a full competitive bidding process. Chair Smith Knight confirmed that the selection was made jointly by her and University staff.

Secretary Brown explained that the Audit Charter did not specifically address outsourcing the internal audit function, requiring the University to determine an appropriate course of action in the absence of explicit guidance. Secretary Brown also agreed to provide Trustee Traughber with a copy of the contract for review.

Trustee Qualls asked whether the Audit Committee should have approved or otherwise authorized the selection or whether it was an administrative decision. Chair Smith Knight responded that future Board policies regarding the matter would be for the full Board to consider, while emphasizing the Audit Committee Chair's responsibility to ensure that the internal audit function operated effectively. She noted that prompt action was critical and that the need to address the matter had been discussed over several months. Trustee Traughber observed that the Audit Charter assigned responsibility for ensuring adequate staffing and resources to the Audit Committee, rather than solely to the Chair or administration.

Ms. Martin explained that Weaver and Tidwell LLP had been engaged to establish and reconstitute the University's internal audit function. She stated that the FY27 Internal Audit Plan incorporated applicable Tennessee requirements, the University's history of audit deficiencies and required remediation, and the Global Internal Audit Standards following their 2024 revision.

Mr. Holloway explained that the plan incorporated mandatory State requirements, risk-based priorities, and anticipated workload considerations. The proposed financial reporting and internal controls review would address the financial close process, journal entries, reconciliations, and segregation of duties. Additional engagements would examine bank reconciliations, role-based access and segregation of duties within Banner, and Title IV financial aid balances, refunds, and allocations.

Required annual activities included reviews of the President's expenses, surprise reviews of cash accounts, conflict-of-interest activities, and NCAA assistance funds. Initial requested engagements included a transition assessment of the internal audit function and a review of accounting and reporting responsibilities between the University and the TSU Foundation.

Recurring responsibilities under the plan included providing updates to the Audit Committee and University management, refreshing the annual risk assessment, following up on prior audit findings, supporting ongoing Committee activities, and conducting fraud, waste, and abuse investigations and inquiries.

Trustee Traughber questioned how the Board could approve the FY27 Internal Audit Plan without first receiving a report on the FY26 plan. Chair Smith Knight explained that matters requiring detailed discussion would be addressed during the non-public executive session. She noted that the FY27 plan included required activities that would proceed regardless of the outcome of the prior fiscal year's work. The Committee could subsequently amend the FY27 plan if information from FY26 warranted revisions.

Secretary Brown confirmed that, to her knowledge, the anticipated executive-session topics fell within applicable exemptions from open-meeting requirements. At Trustee Traughber's request, she agreed to provide an email identifying the applicable exemptions.

Trustee Qualls asked whether Mr. Holloway would conduct the work independently or with a team and whether he would maintain a physical presence on campus. Mr. Holloway explained that he leads a team and offered to provide the organizational chart upon request. He also stated that he attends the President's Cabinet meetings each Tuesday, is generally on campus two days per week, and has a temporary office on campus.

Chair Smith Knight confirmed that Weaver and Tidwell LLP serve as the internal audit function for the entire University. Mr. Holloway affirmed this arrangement and noted that University personnel had been notified of the engagement. He added that Weaver planned to conduct additional outreach to inform employees how to contact the Internal Audit function.

Trustee Traughber requested clarification regarding the reduced hours allocated to prior audit follow-up activities and fraud, waste, and abuse investigations in the FY27 plan. Ms. Martin explained that Weaver did not anticipate the need for follow-up on prior-year audit findings at that time, although the hours allocated to such activities could increase in the future. She noted that much of the prior effort had involved investigations, recurring requirements, and State Auditor matters, which were addressed elsewhere within the risk-based portion of the FY27 plan.

Regarding investigation hours, Ms. Martin explained that the estimate was uncertain because not every report results in a full investigation, and certain matters must be referred to the State Comptroller's Office for assignment. She added that Weaver's prior experience could help the firm

assess recurring types of matters more efficiently; however, the number and scope of future reports could not be predicted.

Trustee Smith moved to recommend approval of the FY27 Internal Audit Plan to the full Board. Trustee Winton seconded the motion. Secretary Brown conducted a voice vote, with all present Committee members voting in favor of the motion. The motion passed unanimously.

VII. ADJOURNMENT OF PUBLIC SESSION

Trustee Smith moved to adjourn the session to enter into executive session, with the motion seconded by Trustee Winton. A voice vote was taken, with all present Committee members voting in favor of the motion. The motion passed unanimously. The meeting was adjourned to enter executive session.

COMMITTEE FOLLOW-UP ITEMS:

- **Internal Audit Hours and Weaver Contract** – Trustee Traughber requested additional detail regarding the lower number of audit hours included in the Weaver contract compared to the hours previously estimated by the former Internal Audit Director, including the reason for the difference and how the reduced hours will impact the University's ability to meet all internal audit requirements. Assigned to: *Jerod Holloway*

- **FY26 Audit Plan Report-Out –** Trustee Traughber requested a report-out on the FY26 Audit Plan and questioned why the Board of Trustees has not yet received the report-out while the FY27 Audit Plan is already being developed. Assigned to: *Jerod Holloway*

- **Weaver and Tidwell LLP Contract Review** – Secretary Brown agreed to provide Trustee Traughber with a copy of the Weaver and Tidwell LLP contract for review. *Assigned to: Attorney Ginette Brown*

- **Executive Session Exemptions** – Trustee Traughber requested an email identifying the applicable exemptions supporting the anticipated executive-session topics. *Assigned to: Secretary Brown*

- **Internal Audit Team Organizational Chart** – Trustee Qualls asked about the staffing structure supporting the University's internal audit function. Mr. Holloway offered to provide the organizational chart for Weaver and Tidwell LLP's internal audit team upon request. *Assigned to: Jerod Holloway*