





















September 2019 Audit Committee Meeting

Schedule	Wednesday, September 4, 2019 9:00 AM — 9:45 AM CDT
Venue	University Center Fountain View Suite - UC350
Organizer	Jean Rakow

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1. Call to Order

2. Roll Call and Declaration of Quorum

3. Approval of Minutes - June 5, 2019

For Approval

Presented by Carol Roberts

THE UNIVERSITY OF MEMPHIS
BOARD OF TRUSTEES

MINUTES OF THE AUDIT COMMITTEE
JUNE 5, 2019
Memphis, TN

The Audit Committee of The University of Memphis Board of Trustees met at 11:45 a.m. CDT, on Wednesday, June 5, 2019, on the University of Memphis' main campus in Memphis, TN.

I. CALL TO ORDER

Trustee Carol Roberts called the meeting to order.

II. ROLL CALL AND DECLARATION OF QUORUM

Melanie Murry, Legal Counsel and Board Secretary, called the roll and confirmed the following Audit Committee members were present, either in person:

Trustee Edwards*
Trustee Gilmore
Trustee Graf*
Trustee Johnson*
Trustee Roberts*
Trustee Springfield*

Trustee North and Trustee Kemme were also present.

*Voting members

Secretary Murry announced the presence of a quorum.

III. THEC ANNOUNCEMENT

Ms. Lauren Collier of THEC was introduced to make comments regarding the THEC Summit focusing on Innovative Governance that will be hosted by the University of Memphis on August 15 – 16, 2019 at the FedEx Center. Accommodations will be provided by the Holiday Inn. Speakers include national experts and Tennessee pace setters.

IV. APPROVAL OF MINUTES MARCH 6, 2019

Trustee Roberts called for a motion to approve the March 6, 2019 Audit Committee meeting minutes that were included in the meeting materials. The motion was made by Trustee Edwards and properly seconded. A voice vote was taken, and the motion was unanimously approved.

V. ANNUAL REVIEW OF INTERNAL AUDIT CHARTER

Trustee Roberts recognized Chief Audit Executive Vicki Deaton to discuss various items. The first item is acceptance of the review of the charter and recognition that there were no changes warranted at this time.

VI. FY 2020 AUDIT PLAN

Ms. Deaton discussed the FY2020 Audit Plan which is divided into three areas: Academic, Administrative and Other. Included are 25 audit entities including colleges and schools, administrative units and the University of Memphis Foundation and University of Memphis Research Foundation. The presentation document also lists agencies in addition to the Office of Internal Audit that conduct audits, investigations, reviews agreed-upon procedures or assessments at the UofM.

Ms. Deaton's presentation presented a summary of audit projects over the past five years and expressed confidence that the distribution of effort was appropriate. For FY 2020, the proposed audit plan was developed based on the University's risk assessment process, state required audits, follow up of past audit issues, investigations, consultation with stakeholders and audit committee projects, as presented in the meeting materials.

Trustee Roberts called for questions regarding the proposed plan. No questions were presented. She called for a motion recommending the FY 2020 proposed audit work plan to the full board for approval. The motion was made by Trustee Edwards and properly seconded. A voice vote was taken and the motion was unanimously approved.

VII. FY 2020 INTERNAL AUDIT BUDGET

Vicki Deaton was recognized to discuss the Internal Audit and Consulting Budget for the upcoming fiscal year. Ms. Deaton provided information on the audit funding plan, the number of existing positions (4) and a request for an additional staff auditor position.

Trustee Roberts called for questions regarding the proposed budget. No questions were presented; however, several comments were made, including: the ongoing need for transparency, the independence of the department and the need for support of administration for the audit activities. Secretary Murry suggested that the action to be taken should be one of support of the funding plan rather than approval of the budget. Committee agreed with Secretary Murry's suggestion and indicated a need to revise the charter to reflect that the Committee does not approve the budget. Chairman Roberts called for a motion that states that the Committee has previously approved the plan and supports the proposed internal audit budget, as presented, in order to continue to operate an internal audit program that protects the university. The motion was made by Trustee Johnson and properly seconded. A voice vote was taken and the motion was unanimously approved.

VIII. SUMMARY OF AUDIT REPORTS ISSUED

Ms. Deaton reported on the audit reports issued for the quarter. These audits included: Admissions Operations Audit (with opportunity for improvement) and the Quality Self-Assessment Review report (generally confirms to the IIA's Standards, Definition of Internal Auditing, core principles and Code of Ethics). The Review report is currently undergoing validation by independent reviewers.

IX. SUMMARY OF INVESTIGATIONS

Ms. Deaton reported on reports of fraud, waste and abuse to the Office of Internal Audit and Consulting. The office received four reports of FWA during the 4th quarter of fiscal year 2019. There were two issues that carried forward from the prior quarter - one is ongoing and an audit memo was issued for the other. Of the four reports initiated during the 4th quarter, one has been resolved and three are ongoing.

X. AUDIT ISSUE FOLLOW UP

Ms. Deaton next reported on the Office's follow up of audit issues. There were four issues ranging in severity from minor to moderate related to the audit of the Department of Economics. Action plans were developed to resolve all identified issues.

XI. ANNUAL REPORT SUMMARIZING GRIEVANCE ACTIVITIES – SUPPORT STAFF ONLY

Ms. Deaton presented on grievance activities reports as per the University policy (HR5052) sponsored by Human Resources. The reports were submitted to the education committee of the senate and house of representatives as required by (TCA) 49-8-117. The reports related to the number of complaints received, statuses and resolutions are contained in the meeting materials.

Chair Roberts called for questions. There were none. Trustee Roberts complemented the University of their transparency related to these issues.

XII. AUDIT COMMITTEE CHARTER

Chair Roberts recognized Trustee North to discuss a change in the Charter. Trustee North stated that the Audit Committee Charter gives the audit committee the authority and responsibility to provide support and assistance to Internal Audit and Consulting. For example, one item states, "Ensure that the University has the appropriate structure, staffing and capability to carry out its internal audit responsibilities." One bullet point of the charter states, "Approve the Internal Audit budget." In no other instance does the Board of Trustees have specific authority related to a departmental budget individually, but rather for the University budget as a whole. Trustee North made a motion to modify the existing Charter by removing the bullet point, "Approve the Internal Audit budget." Discussion of the proposed change ensued. The motion was restated by

Trustee North and was properly seconded. A voice vote was taken and was unanimously approved.

XIII. DIVERSITY WORKING GROUP

Trustee Roberts recognized Kenneth Anderson to discuss the Diversity Plan Working Group. Mr. Anderson reviewed the 2011-2016 plan as indicated in the PowerPoint presentation included in the meeting materials. In 2017, President Rudd and then Provost Karen Weddle-West hired Shasti Conrad Consulting to assess the prevailing climate at the University around diversity, equity and inclusion. Their report (included in the meeting materials) and recommends aligning diversity and inclusion planning with the UofM mission, create a formal infrastructure for coordination and communication of diversity and inclusion programs and initiatives, and frame an vision for diversity and inclusion at the UofM. The university established a university-wide working group to draft a revised diversity plan. The working group is charged with working on a three-year plan for Fall 2019 review.

Questions included a query regarding the inclusion of best practices in the plan

Dr. Weddle-West commented on the results of the climate assessment. She indicated that the consultants ascertained that the UofM is one of the most diverse universities in the country. We have a global student population with diversity that the consultants have not previously seen. They reported that there are consistent perspectives across the University related to areas of strength and challenges of the institution.

XIV. ATHLETICS COMPLIANCE

Trustee Roberts recognized Kristen Kelly, Assistant Athletic Director for Compliance. Ms. Kelly discussed the areas of focus of the Compliance Office, which are consistent with the NCAA and conference Bylaws: institutional control, ethical conduct, recent infractions, educational efforts, monitoring efforts, documentation efforts, institutional NCAA waivers, and NCAA violation structure. Ms Kelly also discussed hot topics including the NCAA Transfer Portal and the Men's Basketball FBI probe at another institution.

XV. ADDITIONAL COMMITTEE BUSINESS

There was no additional Committee business.

XVI. ADJOURNMENT

The meeting adjourned at 10:55 a.m. CDT to Executive Session.

4. Review of the Audit Committee Charter

For Approval

Presented by Vicki Deaton

Audit Committee Meeting

September 4, 2019
University Center

Vicki D. Deaton
Chief Audit Executive



Presentation: Annual Review and Assessment of Audit Committee Charter

The Audit Committee Charter charges the Audit Committee with reviewing and assessing the adequacy of the Audit Committee's Charter annually, requesting Board approval for proposed changes.

Presentation: Internal Audit Quality Assessment Independent Validation Results

The Office of Internal Audit and Consulting performed a Quality Self-Assessment Review during the spring of 2019.

Independent reviewers visited the University of Memphis in June 2019 and performed a validation of the self-assessment. The independent validators concurred with the opinion of the self-assessment - that the University of Memphis Office of Internal Audit and Consulting **generally conforms** to the IIA's Standards, Definition of Internal Auditing, the core principles, and the Code of Ethics.

Presentation: Summary of Audit Reports Issued

Three audit reports were issued this quarter.

1. The Cash Balances Audit Report opinion was Effective with No Issues, but one observation was noted.
2. The Inventory Observation Audit Report opinion was Effective with No issues.
3. The Lambuth Campus Financial and Compliance Audit Report opinion was Effective with the Opportunity for Improvement.

Presentation: Summary of Audit Reports Issued

Audit Reports Issued (9/4/2019 Audit Committee Meeting)

Name of Audit	Date of Audit Report	Audit Engagement Report Opinion	Minor Issues - Addressed Verbally	Observation	Minor Issues	Moderate Issues	Major Issues	Issues Outstanding from Prior Audit
Cash Balances Audit	8/5/2019	Effective = No Issues	0	1	0	0	0	NA
Inventory Observation Audit	8/5/2019	Effective = No Issues	0	0	0	0	0	NA
Lambuth Campus Financial and Compliance Audit	8/6/2019	Effective with the Opportunity for Improvement	4	0	4	2	0	NA

Presentation: Summary of Fraud, Waste, and Abuse Reports

Summary information is provided for the reports of possible fraud, waste, or abuse, noncompliance with law, and conflict of interest received by Internal Audit since the last meeting.

Summary of Fraud, Waste, and Abuse Reports

UofM Fraud, Waste, or Abuse Report Summary 1st Qu FY2020							
Case Number	Date Received	Allegation Received by	Description of Allegation	Status	Investigation Outcome	\$ Loss	Date of Final Action by Internal Audit
19-010	12/19/2019	Allegation Letter to Audit Committee (also inquiry from TN Comp of the Treasury)	Various Related to UofM Faculty Senate Administrative Policies Committee Findings of Accountability Issues (report date 12/14/2017)	No Investigation-No Further Information Received from Current UofM Faculty Senate President and Committee Members	NA	NA	6/30/2019
19-013	5/2/2019	Verbal Conversation with CAE	Fundraising and Travel Per Diem Improprieties	Internal Audit Investigation	ongoing		
19-014	5/10/2019	Allegation Letter to President and Internal Audit	Possible Waste or Abuse Related to School Event	Memo Issued - Case Closed	No Evidence of Waste or Abuse Related to Event	NA	8/12/2019
19-015	5/16/2019	INCOMPLETE Internal Audit FWA Report	Personnel Matter with Incomplete Description of Allegation	Referred to Human Resources	No Investigation Possible with Information Provided	NA	6/28/2019
19-016	6/19/2019	Email to Internal Audit	Conflict of Interest with Outside Entity Providing Experiential Learning Credit, Noncompliance with University Policies Regarding Student Fees	Internal Audit Investigation	ongoing		

Presentation: External Audit Report Received

University of Memphis Hazardous Waste Inspection Report,
performed by Tennessee Department of Environment and
Conservation (TDEC) Division of Solid Waste Management

- Report of June 18 and June 24, 2019 inspections of Department of Chemistry facilities - 10 violations of state regulations
- Report of November 28, 2018 inspection of Department of Biology facilities – 2 violations of state regulations
- Report of November 28, 2018 inspection of Physical Plant facilities – 2 violations of state regulations

Presentation: External Audit Report Received

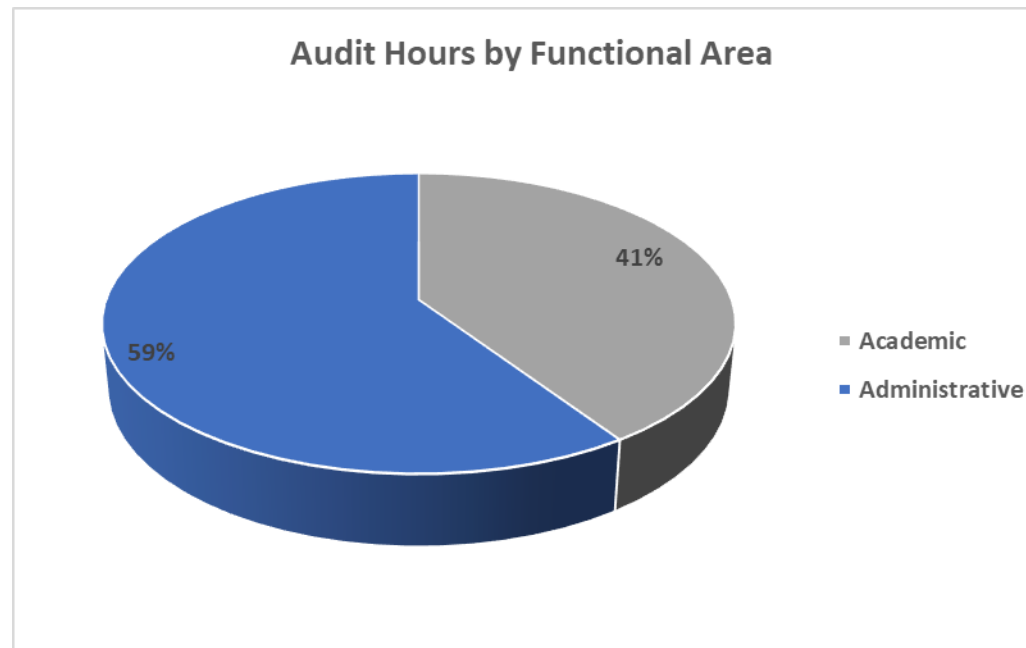
- All violations were corrected
- No civil penalties were assessed
- Department of Chemistry, Department of Biology, and Physical Plant management have developed corrective action plans to address these types of violations in the future

Presentation: Internal Audit & Consulting FY2019 Year End Report

According to the Audit Committee Charter, the Audit Committee must “review the result of the year’s work with the Chief Audit Executive.”

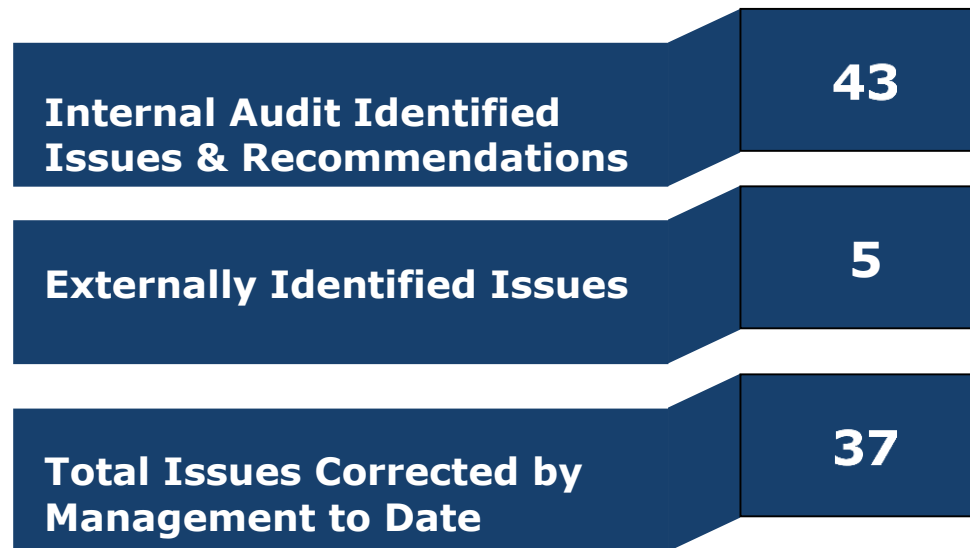
The Office of Internal Audit and Consulting FY2019 Year End Report summarizes audit hours by functional area; audit issues and recommendations; fraud, waste, and abuse investigations; consulting and advisory work; and other projects completed during the year.

Presentation: Internal Audit & Consulting FY2019 Year End Report



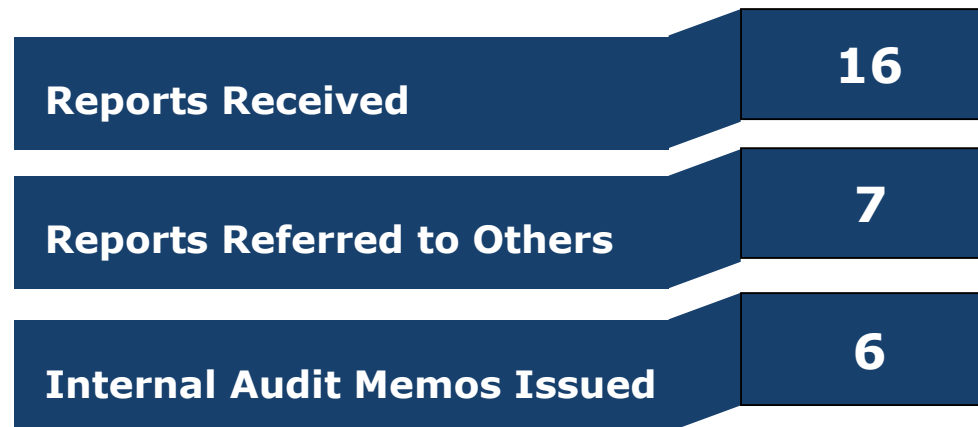
Presentation: Internal Audit & Consulting FY2019 Year End Report

Audit Recommendation Summary for FY2019



Presentation: Internal Audit & Consulting FY2019 Year End Report

Investigation Summary for FY2019



The University of Memphis Board of Trustees

Presentation

For Discussion

Date: September 4, 2019

Committee: Audit Committee

Presentation Title: Review and Assessment of Audit Committee Charter

Presented by: Vicki D. Deaton, Chief Audit Executive

Synopsis:

The Audit Committee Charter, which is based on State of Tennessee Comptroller of the Treasury guidelines and approved by the Tennessee Comptroller of the Treasury, lists various responsibilities of the Audit Committee. At the last Audit Committee meeting, the University of Memphis Office of Internal Audit and Consulting Charter was presented to the Audit Committee for review, approval, and any necessary updating, as required by the Audit Committee Charter.

Another responsibility of the Audit Committee as listed in the Audit Committee Charter is to review and assess the adequacy of the Audit Committee's charter annually, requesting Board approval for proposed changes. To comply with the requirements of the Audit Committee Charter, the current version of the Audit Committee Charter is attached for review and assessment.

Audit Committee Charter

Purpose

The Audit Committee (AC) is responsible for assuring that the University of Memphis' (University) organizational culture, capabilities, systems and processes are appropriate to protect the financial health and the reputation of the University in all of the areas enumerated below. More particularly, the AC will review the financial reporting processes, the system of internal controls, the audit activities (external and internal), management's risk assessment, and the University's process for monitoring and ensuring compliance with laws and regulations. The AC will regularly update the full Board of Trustees (Board) about AC activities and key issues presided over by the Committee.

Roles and Responsibilities

Financial Reporting

- Review audited financial statements with state auditors, and determine whether the statements are complete and consistent with the information known to committee members.
- Review with the University's general counsel any legal matters that could have a significant impact on the University's financial statements.
- Review with management and state auditors any significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the University's financial statements

External Audit

- Meet, as needed, with external auditors to discuss any matters that the AC or auditors deem appropriate.
- Ensure that any findings and recommendations made by the external auditors are received, discussed, and acted upon in an appropriate and timely manner.
- Review the results of the external auditors' examinations and any other matters related to the conduct of the audits, and report to the Board the auditors' findings and recommendations.

Internal Audit

- Review and approve the annual audit plan for the University, including management's request for unplanned audits.
- Review the result of the year's work with the Chief Audit Executive, and receive and review any other work prepared by the Chief Audit Executive for the University.
- Receive and review reports, the results of internal audits performed, and any other work prepared by Internal Audit.

- Ensure that the University has the appropriate structure, staffing and capability to carry out its internal audit responsibilities.
- Ensure that the internal audit department has direct and unrestricted access to the chair and other committee members.
- Appoint, replace, or dismiss the Chief Audit Executive.
- Review, approve, and update the Internal Audit charter annually or more frequent if necessary.

Internal Controls, Risk, and Compliance

- Ensure that a system is in place, and being followed, to review and maintain compliance with the University's internal control structure.
- Ensure that a process exists for assessing, reporting, and investigating illegal, fraudulent, wasteful, or improper activity at the University, including a confidential reporting mechanism.
- Determine whether internal control recommendations made by internal and external auditors have been implemented by management.
- Review University policies and procedures regarding employee conduct to ensure that it:
 - is easy to access,
 - is widely communicated,
 - is easy to understand and implement,
 - includes a confidential mechanism for reporting code violations,
 - is enforced, and
 - includes conflict of interest policy and guidelines.
- Review the University's conflict of interest policy to ensure that the guidelines are comprehensive, that the term "conflict of interest" is clearly defined, that annual signoff is required, and that it contains procedures for adequate resolution and documentation of potential conflicts.
- Review the University's process for monitoring compliance with laws and regulations.
- Review the University's risk assessment plan.
- Regularly obtain updates from management, General Counsel, and Internal Audit regarding significant changes in legal and compliance issues.
- Review and assess the adequacy of the AC's charter annually, requesting Board approval for proposed changes.

Membership

The AC shall be composed of no less than three members who shall be appointed by the Board according to Board Bylaws. The Board shall appoint the AC chair. The Board may select one certified public accountant or other qualified citizen who is not a member of the Board to serve on the AC. The external member must have extensive accounting, auditing, or financial management expertise, and may not serve as the chair. The term of appointment is two years, and the chair may not serve more than two consecutive two-year terms as chair. All members of the AC shall be generally knowledgeable of financial management and auditing matters. At all

times, the AC shall have at least one member with extensive accounting, financial, or management expertise.

Each member of the AC shall be free from relationship that would give the appearance of a conflict or that would interfere with his or her exercise of independent judgment.

Education

The University's senior management and internal audit department are responsible for providing the AC with educational resources related to accounting principles, internal controls, applicable policies, and other information that may be requested by the AC to maintain appropriate financial and compliance literacy.

Meetings

The AC shall meet at least once quarterly, in conjunction with regular meetings of the Board, or at any other time upon the call of the AC chair. The AC will invite members of management, auditors, or others to attend and provide pertinent information. Meeting agendas will be provided to members in advance along with proper briefing materials. Minutes will be prepared. The AC shall also meet at the request of the Comptroller of the Treasury.

A majority of the members of the AC shall constitute a quorum for the transaction of business.

5. Internal Air Quality Assessment

Presentation

Presented by Vicki Deaton

The University of Memphis Board of Trustees

Presentation

For Information

Date: September 4, 2019

Committee: Audit Committee

Presentation Title: Internal Audit Quality Assessment Independent Validation Results

Presented by: Vicki D. Deaton, Chief Audit Executive

Synopsis:

The Office of Internal Audit and Consulting performed a Quality Self-Assessment Review during the spring of 2019. A report of the self-assessment was provided to the Audit Committee at the June 2019 Audit Committee meeting. The self-assessment found that the UofM internal audit function generally conforms to the IIA's Standards, Definition of Internal Auditing, the core principles, and the Code of Ethics. Independent reviewers visited the University of Memphis in June 2019 and performed a validation of the self-assessment. The independent validators concurred with the opinion of the self-assessment - that the University of Memphis Office of Internal Audit and Consulting generally conforms to the IIA's Standards, Definition of Internal Auditing, the core principles, and the Code of Ethics.

The independent external validation report is attached.



Office of Internal Audit and Consulting

271 Administration Building
Memphis, TN 38152
(901) 678-2125
Email: UoM_Audit@memphis.edu

June 27, 2019

Carol Roberts, Chair of the University of Memphis Board of Trustees Audit Committee

Greetings:

We were engaged as the validators to conduct an independent Validation of the Self-Assessment Quality Assessment (QA) of the University of Memphis Internal Audit function as required every five years by the Institute of Internal Auditors *International Standards for the Professional Practice of Internal Auditing (IIA Standards)*. The objectives of the QA were to:

1. Assess conformance with the *IIA Standards*;
2. Assess the effectiveness and efficiency of the Internal Audit function in providing services to the Board and management of the University of Memphis; and
3. To identify opportunities for improving the Internal Audit function at University of Memphis.

In acting as independent validators, we are fully independent of University of Memphis and have the necessary knowledge and skills to undertake this engagement. The validation, conducted June 24, 2019 to June 27, 2019, consisted primarily of reviewing and testing their self-assessment documentation related to the University of Memphis Office of Internal Audit self-assessment reported issued May 14, 2019. Additionally, we interviewed other audit team members and several key administrators. These interviews helped us gain a better understanding of the internal control environment within which the University of Memphis's internal auditing operates.

The validation of the self-assessment was performed in accordance with the IAS Quality Assessment Manual, 2017 addition. The primary purpose of a QA is to determine the internal audit function's conformance with the *IIA Standards*. There are three possible outcomes of the QA: the internal audit activity generally complies, partially conforms or does not conform with the *Standards*.

We concur with the University of Memphis Internal Audit's conclusion and observations documented in the self-assessment report attached. Implementation of the recommendations contained in the self-assessment report will improve the effectiveness, enhance the value, and support Internal Audit's conformity the Standards and the other mandatory guidance of the IIA.

Blayne M. Clements
Chief Audit Officer
Austin Peay State University
Clarksville, TN
Team Lead

Erica Smith
Director of Internal Audit
Columbia State Community
College – Columbia TN

Helen Vose
Internal Auditor
Tennessee Board of Regents
Nashville, TN

University of Memphis
Internal Audit Quality Self-Assessment Review
May 16, 2019

Opinion as to Conformity with the IIA's Standards: Generally Conforms

Self-Assessment Performed by the Following Auditors:

Vicki D. Deaton, Chief Audit Executive

Jesse J. Pierce, Senior Technology & Network Security Auditor

Background & Objective

The University of Memphis (UofM) was founded in 1912 as West Tennessee Normal School. The University currently employs approximately 2,500 people, including 930 full-time faculty, and has a student population of over 21,000 students. The function of Internal Audit was formed at the University about 30 to 35 years ago. The exact date is unknown. Internal Audit has had 4 Chief Audit Executives in the past 10 years, and the staff currently consists of 4 professionals.

From 2004 through 2016, UofM Internal Audit reported to the Tennessee Board of Regents (TBR) System-wide Office of Internal Audit as well as the University of Memphis President. FOCUS Act legislation was passed by the state of Tennessee in 2016, which allowed for an independent governing board at the UofM and other TBR member universities. The legislation increased autonomy and local control for the UofM. The legislation included the establishment of a local governing board for the UofM in 2017. The Audit Committee is one of three standing committees of the UofM Board of Trustees.

The Office of Internal Audit and Consulting reports directly to the Audit Committee but reports administratively to the University President for internal accounting purposes. However, to provide independence and to comply with state statutes and Tennessee Comptroller of the Treasury's requirements, the Office has direct reporting responsibility to the Board of Trustee's Audit Committee.

The UofM Office of Internal Audit and Consulting conducted a quality self-assessment of the internal audit activity during spring 2019. The principal objective of the quality self-assessment was to determine the internal audit activity's conformity to The Institute of Internal Auditor's (IIA) *International Standards for the Professional Practice of Internal Auditing (Standards)*, Definition of Internal Auditing, Core Principles for the Practice of Internal Audit (Core Principles), and the Code of Ethics.

Requirement for Quality Assessments

Tennessee Code Annotated Section 4-3-304 (9) requires that internal audit staffs of higher education institutions comply with the IIA's *Standards for the Professional Practice of Internal Auditing*. Those *Standards* require the UofM Office of Internal Audit and Consulting to have a quality assurance and improvement program which includes periodic internal and external quality assessments and ongoing monitoring for conformance with the *Standards*. External assessments must be performed at least once every five years by a qualified, independent assessor or assessment team from outside the organization. This external assessment can take the form of a full external assessment or a self-assessment with independent external validation. The UofM Office of Internal Audit and Consulting's last external assessment was completed in August 2013 as part of the TBR System-Wide Internal Audit External Quality Assessment.

Opinion as to Conformity with the Standards

The overall opinion is that the University of Memphis Internal Audit function generally conforms to the IIA's *International Standards for the Professional Practice of Internal Auditing*, Definition of Internal Auditing, Core Principles for the Professional Practice of Internal Audit, and the Code of Ethics. Attachment A provides a detailed list of conformances to the individual IIA Standards.

6. Summary of Audit Reports Issued

Presentation

Presented by Vicki Deaton

The University of Memphis Board of Trustees

Presentation

For Information

Date: September 4, 2019

Committee: Audit Committee

Presentation Title: Summary of Audit Reports Issued

Presented by: Vicki D. Deaton, Chief Audit Executive

Synopsis:

Three public audit reports were issued this quarter. The Cash Balances Audit Report opinion was Effective with No Issues, but one observation was noted. The Inventory Observation Audit Report opinion was Effective with No issues. The Lambuth Campus Financial and Compliance Audit Report opinion was Effective with the Opportunity for Improvement.

See the attached table for more information about the audit reports.

Audit Reports Issued (9/4/2019 Audit Committee Meeting)

Name of Audit	Date of Audit Report	Audit Engagement Report Opinion	Minor Issues - Addressed Verbally	Observation	Minor Issues	Moderate Issues	Major Issues	Issues Outstanding from Prior Audit
Cash Balances Audit		Effective = No Issues	0	1	0	0	0	NA
Inventory Observation Audit		Effective = No Issues	0	0	0	0	0	NA
Lambuth Campus Financial and Compliance Audit		Effective with the Opportunity for Improvement	4	0	4	2	0	NA

7. Summary of Fraud, Waste, Abuse Reports Received

Presentation

Presented by Vicki Deaton

The University of Memphis Board of Trustees

Presentation
For Information

Date: September 4, 2019
Committee: Audit Committee
Presentation Title: Summary of Fraud, Waste, or Abuse Reports Received
Presented by: Vicki D. Deaton, Chief Audit Executive

Synopsis:

One new report of fraud, waste, or abuse, noncompliance with law, or conflict of interest was received by the Office of Internal Audit and Consulting this quarter. One report received last quarter was resolved and an investigation memo was issued. Two investigations by Internal Audit are in progress.

Attached is a summarized list of fraud, waste, or abuse reports received by the UofM Office of Internal Audit and Consulting, with additional information regarding the status of the investigations or referrals.

Pursuant to the protection afforded by Tennessee Code Annotated §§ 10-7-504(i) and 10-7-508(a), this information shall be used for Limited Official Use purposes only. Because this document has been designated **“Limited Official Use Only”**, it may only be made available to those who have a need to know the information in the performance of their official duties for the University. This information must be safeguarded and protected from unauthorized disclosure. This information and any referenced materials are considered part of our confidential working papers not open to public inspection pursuant to state law. Our sharing of this information with you is pursuant to the internal processes of this engagement and is not intended as a publication or distribution of this information. Therefore, you are requested to appropriately safeguard its confidentiality and appropriately restrict its further disclosure. Please notify us of any requests for this information as it is under restricted access.

You may share and distribute within the University to those that have a need to have this information.

CONFIDENTIAL AUDIT INFORMATION

UofM Fraud, Waste, or Abuse Report Summary 1st Qu FY2020							
Case Number	Date Received	Allegation Received by	Description of Allegation	Status	Investigation Outcome	\$ Loss	Date of Final Action by Internal Audit
19-010	12/19/2019	Allegation Letter to Audit Committee (also inquiry from TN Comp of the Treasury)	Various Related to UofM Faculty Senate Administrative Policies Committee Findings of Accountability Issues (report date 12/14/2017)	No Investigation-No Further Information Received from Current UofM Faculty Senate President and Committee Members	NA	NA	6/30/2019
19-013	5/2/2019	Verbal Conversation with CAE	Fundraising and Travel Per Diem Improprieties	Internal Audit Investigation	ongoing		
19-014	5/10/2019	Allegation Letter to President and Internal Audit	Possible Waste or Abuse Related to School Event	Memo Issued - Case Closed	No Evidence of Waste or Abuse Related to Event	NA	8/12/2019
19-015	5/16/2019	INCOMPLETE Internal Audit FWA Report	Personnel Matter with Incomplete Description of Allegation	Referred to Human Resources	No Investigation Possible with Information Provided	NA	6/28/2019
19-016	6/19/2019	Email to Internal Audit	Conflict of Interest with Outside Entity Providing Experiential Learning Credit, Noncompliance with University Policies Regarding Student Fees	Internal Audit Investigation	ongoing		

8. External Inspection Report Received

Presentation

Presented by Vicki Deaton

The University of Memphis Board of Trustees

Presentation

For Information

Date: September 4, 2019

Committee: Audit Committee

Presentation Title: External Inspection Report Received

Presented by: Vicki D. Deaton, Chief Audit Executive

Synopsis:

The University is subject to external audits, program reviews, and similar activities by various agencies and other organizations. According to Policy GE2016 Notification of External Audits and Reviews, it is the responsibility of the primary contact person for the program or activity being reviewed to notify Internal Audit of an external audit or review as early in the process as possible. After the audit or review is complete, the primary contact will usually receive notice of the results in writing. The primary contact (or designee) should forward a copy of the results to Internal Audit. The responsibility for Internal Audit under this policy includes reporting occurrences of external reviews and audits to the Audit Committee, Division of State Audit, and others as the circumstances may dictate.

This quarter, Internal Audit received a Hazardous Waste Inspection Report for the University of Memphis from the Tennessee Department of Environment and Conservation (TDEC) Division of Solid Waste Management. The report identifies 10 violations from the inspection performed on June 18 and 24, 2019. This inspection focused on the Department of Chemistry facilities. Last spring, TDEC reported on inspections performed at the Department of Biology and Physical Plant facilities. All violations in all locations were easily and quickly corrected. No civil penalties were assessed on the Department of Biology and Physical Plant facilities violations. The UofM Office of Environmental Health and Safety has been verbally informed that no civil penalties will be assessed on the Department of Chemistry facilities violations.

A subgroup of the Compliance Council met to discuss the inspections and violations. Even though the specific violations were corrected, we asked management of the Department of Biology, Department of Chemistry, and Physical Plant to develop corrective management action plans to address these types of violations in the future.

The TDEC Inspection Report of the Department of Chemistry facilities is attached, as well as summarized violation information and management action plans from Department of Biology, Department of Chemistry, and Physical Plant management.



**TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
MEMPHIS ENVIRONMENTAL FIELD OFFICE
8383 WOLF LAKE DRIVE
BARTLETT, TN 38133-4119
PHONE (901) 371-3000 STATEWIDE 1-888-891-8332 FAX (901) 371-3170**

August 2, 2019

CERTIFIED MAIL: 91 7108 2133 3932 2042 9397

RETURN RECEIPT REQUESTED

Alton Simpson
University of Memphis
414 JM Smith Hall
Memphis, TN 38152

RE: Hazardous Waste Inspection Report
University of Memphis- J.M. Smith Hall
3774 Walker Ave
Memphis, TN 38111
TND 98-777-6341

Dear Mr. Simpson:


On June 18, 2019, and June 24, 2019, the Division of Solid Waste Management (DSWM) conducted a Hazardous Waste Compliance Evaluation Inspection (CEI) at the above referenced facility. The CEI was conducted to evaluate the facility's compliance with the *Tennessee Hazardous Waste Management Act*, T.C.A. §68-212-101 et seq., with the *Used Oil Collection Act of 1993* T.C.A. 68-211, Part 10, and with Tennessee's Hazardous Waste Regulations (Division Rule Chapter 0400-12-01) promulgated pursuant to those Acts.

The enclosed report outlines ten violations identified during the inspection. Corrective measures for the violations were performed during the CEI, returning the facility to compliance. However, please keep in mind that a return to compliance does not necessarily eliminate possible future enforcement action.

The DSWM appreciates the courtesy and cooperation shown by the University of Memphis during this inspection. If you have any questions concerning this letter or the enclosed report, please do not hesitate to contact me at (901) 543-7829 or Christina.Perez@TN.Gov.

Hazardous Waste Inspection Report
University of Memphis-J.M. Smith Hall
August 2, 2019
Page 2

Sincerely,



Christina Perez
State of Tennessee
Division of Solid Waste Management
Memphis Environmental Field Office

Enclosure: Hazardous Waste Inspection Report
Attachment A: Inspection Photographs
Attachment B: Weekly Inspection Logs for HWSA#1

c: Christina Perez, DSWM, Memphis Environmental Field Office
ec: CP/nb/07908022019
Central File, Nashville Central Office
Norma Branch, DSWM, Memphis Environmental Field Office
Ashley Holt, DSWM, Nashville Central Office
Lisa Hughey, DSWM, Nashville Central Office
Chris Lagan, DSWM, Nashville Central Office

HAZARDOUS WASTE INSPECTION REPORT

University of Memphis-J.M. Smith Hall

SITE/PHYSICAL LOCATION

University of Memphis
J.M. Smith Hall
3744 Walker Avenue
Memphis, TN 38111
TND 98-777-6341
County: Shelby

PRIMARY CONTACT

Mr. Alton Simpson
University of Memphis
414 JM Smith Hall
Memphis, TN 38152
Telephone: (901) 678-4672
E-mail: ASimpson@Memphis.Edu

DATE AND START-TIME OF INSPECTION

Tuesday, June 18, 2019, 11:00AM CDT

INSPECTION PARTICIPANTS

Mr. Alton Simpson, Director of Environmental Health and Safety, University of Memphis
Mr. Erik Tyge, Manager of Hazardous Materials, University of Memphis
Ms. Adrienne Bonton, Laboratory Coordinator, University of Memphis
Ms. Christina Perez, DSWM, Memphis Environmental Field Office

REPORT PREPARED BY

Christina Perez
Division of Solid Waste Management
Memphis Environmental Field Office
8383 Wolf Lake Drive
Bartlett, TN 38133-4119
Telephone: (901) 543-7829

Fax: (901) 371-3170

E-mail: Christina.Perez@tn.gov

PURPOSE OF INSPECTION

This routine unannounced compliance evaluation inspection (CEI) was conducted to evaluate the University of Memphis-J.M. Smith Hall's (J.M. Smith Hall) compliance with applicable requirements of the rules and regulations promulgated pursuant to Tennessee's Hazardous Waste Management Act T.C.A. 68-212, Parts 1 and 3, with the Used Oil Collection Act of 1993, T.C.A. 68-211, Part 10, and with the regulations adopted pursuant to those Acts. Inspection findings are based upon site observations, file review, and verbal and written information provided by facility personnel during the inspection, including the identification of all physical locations where wastes are generated and managed by the facility. The facility has the responsibility to advise the DSWM of any information in the report or attached letter that the facility deems to be incorrect or incomplete. Any such communication should be submitted to the Division within fifteen (15) days following receipt of this report.

The last unannounced CEI conducted at the facility by the DSWM was on December 4, 2009.

FACILITY DESCRIPTION

J.M. Smith Hall houses classrooms, offices, and laboratories for the University of Memphis' chemistry department. The North American Industry Classification System (NAICS) code most suitable for this facility is 611310-"Colleges, Universities, and Professional Schools."

GENERATOR STATUS

At the time of the CEI, J.M. Smith Hall was determined to be a small quantity generator (SQG) of hazardous waste and was evaluated in accordance with the appropriate regulatory standards.

HAZARDOUS WASTE STREAMS GENERATED

The facility's hazardous waste is generated primarily from laboratory work and discarded expired chemicals. At the time of the inspection, J.M. Smith Hall had eight active hazardous waste streams (WSs). Information regarding these WSs is summarized in Table 1.

INSPECTION FINDINGS

Facility Site Observations

The CEI consisted of a walk-through to inspect areas related to the management of hazardous waste; and a review of J.M. Smith Hall's hazardous waste records. Two Hazardous Waste Storage Areas (HWSAs) and thirty-one hazardous waste Satellite Accumulation Areas (SAAs),

were observed during this CEI and are described below:

Room 433-Three SAAs

- Fume Hood 1:
 - One 4-liter container that was closed and labeled “Hazardous Waste”.
- Fume Hood 2:
 - One 2.5-liter container that was closed and labeled “Hazardous Waste”.
 - One 1-liter container that was closed and not labeled properly.
 - Two 4-liter containers that were closed and labeled “Hazardous Waste”.
- One 3-liter container that was closed and labeled “Hazardous Waste”.

During the CEI, U of M personnel labeled the 1-liter container that was not labeled properly.

Room 403-Three SAAs

- Fume Hood 1:
 - One 4-liter container that was closed and labeled “Hazardous Waste”.
 - One 2.5-liter container that was closed and labeled “Hazardous Waste”.
- Fume Hood 2:
 - One 1-liter container that was closed and labeled “Hazardous Waste”.
 - One 4-liter container that was closed and labeled “Hazardous Waste”.
 - One 1-liter container that was closed and not labeled properly.
 - One 1-liter container that was closed, unlabeled, and contained an unknown material.
 - One 4-liter container that was closed and not labeled properly.
- Utility Cart:
 - One .5 gallon bag that was closed and labeled “Hazardous Waste”.
 - One 4-liter container that was closed and labeled “Hazardous Waste”.

During the CEI, U of M personnel labeled the 1-liter and 4-liter containers as “Hazardous Waste”, and conducted a waste determination on the 1-liter container that contained unknown material. The waste determination deemed that the contents of the 1-liter container was hazardous waste, and U of M personnel labeled the container appropriately.

Room 307

No hazardous waste was present during the CEI.

Room 319-Nine SAAs

- Fume Hood 1:
 - Three 4-liter containers that were closed and labeled “Hazardous Waste”.
- Fume Hood 2:
 - Three 4-liter containers that were closed and labeled “Hazardous Waste”.
- Fume Hood 3:
 - One 4-liter container that was open due to an experiment being conducted and labeled “Hazardous Waste”.
- Fume hood 4:
 - One 4-liter container that was closed and labeled “Hazardous Waste”.
 - One 500-milliliter container that was closed and labeled “Hazardous Waste”.
- Fume Hood 5:
 - One 4-liter container that was closed and labeled “Hazardous Waste”.
- Fume Hood 6:
 - One 4-liter container that was closed and not labeled properly.
- Fume Hood 7:
 - No hazardous waste was present.
- Fume Hood 8:
 - No hazardous waste was present.

- Fume Hood 9:
 - Two 4-liter containers that were closed and labeled “Hazardous Waste”.
- Used Oil
 - One 5-gallon container of used oil not labeled properly.
 - One 2.5 gallon container of used oil not labeled properly.
 - One 5-gallon container of used oil labeled “Used Oil”.

During the CEI, U of M personnel labeled the 4-liter container within Fume Hood 6 as “Hazardous Waste” and labeled the 5-gallon and 2.5-gallon containers of used oil as “Used Oil”.

Room 231

No hazardous waste was present during the CEI.

Room 223-One SAA

- One 4-liter container that was closed and not labeled properly.

During the CEI, U of M personnel labeled the 4-liter container as “Hazardous Waste”.

Room 217-One SAA

- Fume Hood 1:
 - One 4-liter container that was closed and labeled “Hazardous Waste”.
 - One 4-liter container that was closed and not labeled properly.
 - One 500-milliliter container that was closed and labeled “Hazardous Waste”.
- Used Oil
 - One 5-gallon container of used oil that was labeled as “Hazardous Waste” and “Non-Hazardous”.

During the CEI, U of M personnel labeled the 4-liter container as “Hazardous Waste” and determined that the 5-gallon container of used oil was “Non-Hazardous” and labeled the container as “Used Oil”.

Room 219-Two SAAs

- Fume Hood 1:
 - One 4-liter container that was closed and labeled “Hazardous Waste”.

- Fume Hood 2:
 - Four 4-liter containers that were closed and labeled “Hazardous Waste”.

Room 203-Five SAAs

- Fume Hood 1:
 - One 2.5-liter container that was closed and labeled “Hazardous Waste”.
 - One 4-liter container of used oil that was not labeled properly.
- Fume Hood 2:
 - One 2.5-liter container that was closed and labeled “Hazardous Waste”.
- One 4-liter container that was closed and labeled “Hazardous Waste”.
- Two 2.5-liter containers that were closed and labeled “Hazardous Waste”.
- Used Oil
 - One 1.5-liter container of used oil that was closed, and labeled “Hazardous Waste” and “Used Oil”
 - One 4-liter container of used oil that was closed and labeled “Hazardous Waste”.
- Fume Hood 3:
 - Two 100-milliliter containers that were closed and not labeled properly.
 - One 800-milliliter container that was closed and not labeled properly.
 - One 400-milliliter container that was closed and labeled “Hazardous Waste”.
- Universal Waste
 - One 5-gallon container of universal waste lamps that was not closed, not labeled properly, and did not have an accumulation start date.

During the CEI, U of M personnel labeled the 4-liter container within Fume Hood 1 as “Used Oil”, labeled the two 100-milliliter containers and one 800-milliliter container within Fume

Hood 3 as “Hazardous Waste”, and the 5-gallon container of universal waste lamps was closed, labeled “Used Lamps”, and placed an accumulation start date of January 2, 2019.

Room 115-One SAA

- One 4-milliliter container that was closed and labeled “Hazardous Waste”.

Room 131

No hazardous waste was present during the CEI.

Room 27-Three SAAs and HWSA#1

- Fume Hood 1:
 - Four 4-milliliter containers that were closed and labeled “Hazardous Waste”.
 - Two 3-milliliter containers that were closed and labeled “Hazardous Waste”.
- Fume Hood 2:
 - Two 4-milliliter containers that were closed and labeled “Hazardous Waste”.
- Two 4-milliliter containers that were closed and labeled “Hazardous Waste”.
- HWSA #1
 - One 5-gallon container that was closed, but was not labeled properly, and did not have an accumulation start date.

During the CEI, U of M personnel labeled the 5-gallon container in HWSA#1 as “Hazardous Waste” and marked with an accumulation start date of May 1, 2019.

Room 18-Two SAAs

- Fume Hood 1:
 - One 4-liter container that was closed and not labeled properly.
- Fume Hood 2:
 - One 2-liter container that was closed and labeled “Hazardous Waste”.
 - One 1-liter container that was closed and labeled “Hazardous Waste”.

- Used Oil
 - One 4-liter container of used oil that was closed and labeled “Used Oil”.

During the CEI, U of M personnel labeled the 4-liter container within Fume Hood 1 as “Hazardous Waste”.

Room 16-One SAA

- One 4-milliliter container that was closed and labeled “Hazardous Waste”.

Room 19-One SAA

- One 5-gallon container that was closed and labeled “Hazardous Waste”.

Room 6-Two SAAs

- Three 4-milliliter containers that were closed and labeled “Hazardous Waste”.
- One 3.5-milliliter container that was closed and labeled “Hazardous Waste”.
- Used Oil
 - One 5-gallon container of used oil that was labeled “Used Oil”.
 - One 2.5 gallon container of used oil that was labeled “Used Oil”.

Room 3-HWSA #2

- Four 4-liter containers that were closed, labeled “Hazardous Waste”, and dated June 17, 2019.
- One 4-liter container that was closed, labeled “Hazardous Waste”, and dated June 3, 2019.
- One 4-liter container that was closed, labeled “Hazardous Waste” and dated May 2, 2019.
- One 55-gallon drum that was open, labeled “Hazardous Waste”, and dated June 18, 2019.

During the CEI, U of M personnel closed the 55-gallon drum.

Facility Records Review

The CEI finished with a review of J.M. Smith Hall’s hazardous waste records for the past three years. Hazardous waste shipping manifests and land disposal restriction notifications/certifications were adequately maintained.

The Annual Reports were maintained onsite. J.M. Smith Hall was determined to be a SQG of hazardous waste for the years of 2018, 2017 and 2016. J.M. Smith Hall's hazardous waste reduction plan was last updated in February 2019.

A Lab Safety Seminar was conducted in August 2018 for faculty and staff. U of M personnel have received additional training with regards to HAZWOPER and DOT. Weekly inspection logs for the HWSA#2 in Room 3 depicted that the inspection logs were time stamped and conducted within the seven day limit. However, the weekly inspection logs for the HWSA#1 in Room 27 did not document that hazardous waste inspections had been conducted on the 5-gallon container of hazardous waste stored in this area. The Graduate Assistant for Room 27 informed DSWM staff that the 5-gallon container had been stored within Room 27 since the beginning of May 2019.

VIOLATIONS

During this CEI, violations of the following Rules were identified:

Violation #1-Rule 0400-12-01-.03(1)(b) states: [40 CFR 262.11]

(1) General

(b) Hazardous Waste Determination

A person who generates a solid waste, as defined in Rule 0400-12-01-.02(1)(b), must determine if that waste is a hazardous waste using the following method:

1. He should first determine if the waste is excluded from regulation under Rule 0400-12-01-.02(1)(d).
2. He must then determine if the waste is listed as a hazardous waste in Rule 0400-12-01-.02(4).

(Note: Even if the waste is listed, the generator still has an opportunity under 40 CFR 260.22 to demonstrate to the EPA Regional Administrator that the waste from this particular facility or operation is not a hazardous waste.)

3. For the purposes of compliance with Rule 0400-12-01-.10, or if the waste is not listed in Rule 0400-12-01-.02(4), the generator must then determine whether the waste is identified in Rule 0400-12-01-.02(3) by either:

- (i) Testing the waste according to the methods set forth in Rule 0400-12-01-.02, or according to an equivalent method approved by the Commissioner under Rule 0400-12-01-.01(3)(b); or
 - (ii) Applying knowledge of the hazard characteristic of the waste in light of the materials or the processes used.
4. If the waste is determined to be hazardous, the generator must refer to Rules 0400-12-01-.02, .05, .06, .09, .10 and .12 for possible exclusions or restrictions pertaining to management of the specific waste.
5. This subparagraph does not apply to individual wastewater streams as described in part (2)(a)2 of this rule in cases where the generator makes a hazardous waste determination on the conglomerate flow. A proper determination of the conglomerate flow must include both an evaluation of the hazardous waste characteristics of the conglomerate flow as defined in Rule 0400-12-01.02(3) as well as an evaluation of the facility's wastewater generating processes to confirm the presence or absence of listed hazardous wastewaters as defined in Rule 0400-12-01-.02(4) in the wastewater.

(Comment: This provision does not supercede any applicable exclusion from recordkeeping, notification, or reporting requirements for hazardous waste otherwise specified in this rule.)

Violation #1 Observation

DSWM observed one 4-liter container within a fume hood in Room 403 that did not have any markings to indicate the contents of the container. DSWM staff requested that a waste determination be conducted on the material. (See Attachment A, Photo 1).

Action Taken

University of Memphis personnel conducted a waste determination and deemed the material to be hazardous waste. Facility personnel properly labeled the container as "Hazardous Waste" and provided DSWM staff with documentation of the waste determination.

Violation #2 Rule 0400-12-01-.03(4)(c)5(i)(II) states: [40 CFR 262.34]

- (4) Pre-transport Requirements

(e) Accumulation Time

5. (i) A generator may accumulate as much as 55 gallons of hazardous waste or one quart of acute hazardous waste listed in Rule 0400-12-01-.02(4)(b) or (4)(d)5, in containers at or near any point of generation where wastes initially accumulate, which is under the control of the operator of the process generating the waste, without a permit or interim status and without complying with part 2 of this subparagraph provided he:
- (II) Marks his containers either with the words "Hazardous Waste" or with other words that identify the contents of the containers.

Violation #2 Observation

DSWM staff observed SAA containers within Room 433-Fume Hood 2, Room 403-Fume Hood 2, Room 223, Room 319-Fume Hood 6, Room 217-Fume Hood 1, Room 203-Fume Hood 3, and Room 18-Fume Hood 1 that were not labeled "Hazardous Waste". (See Attachment A, Photo 2)

Action Taken

Facility personnel labeled the containers observed at the SAAs within Room 433-Fume Hood 2, Room 403-Fume Hood 2, Room 223, Room 319-Fume Hood 6, Room 217-Fume Hood 1, Room 203-Fume Hood 3, and Room 18-Fume Hood 1 with the words "Hazardous Waste" during the CEI.

Violation #3-Rule 0400-12-01-.11(3)(c)3(i) states: [40 CFR 279.22]

(3) Standards for Used Oil Generators

(c) Used Oil Storage

3. Labels

- (ii) States that containers and above ground storage tanks used to store used oil at generator facilities must be labeled or marked clearly with the words "Used Oil".

Violation #3 Observation

DSWM staff observed two 5-gallon containers within Room 319 and one 4-liter container within Room 203 that were not labeled "Used Oil". (See Attachment A, Photo 3)

Action Taken

Facility personnel labeled the two 5-gallon containers as “Used Oil” during the CEI.

Violation #4-Rule 0400-12-01-.12(2)(e)5 states: [40 CFR 273.14]

(2) Standards for Small Quantity Handlers of Universal Waste

3. Mercury-containing Equipment

(e) Labeling/Marking

1. Universal waste lamps (i.e., each lamp), or a container or package in which such lamps are contained must be labeled or marked clearly with any one of the following phrases: “Universal Waste-Lamp(s)” or “Waste Lamp(s)” or “Used Lamp(s)” or “Universal Waste-Bulb(s)” or “Waste Bulb(s)” or “Used Bulbs”. Containers or packages destined for out of state shipment shall use the term “Lamps” in lieu of “Bulbs”.

Violation #4 Observation

During the inspection, DSWM observed one 5-gallon container of used lamps within Room 203 that was not properly labeled. (see Attachment A, Photo 4)

Action Taken

Facility personnel labeled all the used lamp containers as “Universal Waste-Lamps” during the CEI.

Violation #5-Rule 0400-12-01-.12(2)(d)4(i)1 states: [40 CFR 273.13]

(2) Standards for Small Quantity Handlers of Universal Waste

(d) Waste Management

4. Universal Waste Lamps

- (i) A small quantity handler of universal waste must manage lamps in a way that prevents releases of any universal waste or component of a universal waste to the environment as follows:
 - (1) A small quantity handler of universal waste must contain any lamp in containers or packages that are structurally sound, adequate to prevent breakage, and compatible with

the contents of the lamps. Such containers and packages must remain closed and must lack evidence of leakage, spillage or damage that could cause leakage under reasonably foreseeable conditions.

Violation #5 Observation

During the inspection, DSWM observed one 5-gallon container of used lamps within Room 203 that was not closed. (See Attachment A, Photo 4)

Action Taken

Facility personnel placed the used lamps into a closed container during the CEI.

Violation #6- Rule 400-12-01.12(2)(f)3 states: [40 CFR 273.15]

(2) Standards for Small Quantity Handlers of Universal Waste

(f) Accumulation Time Limits

3. A small quantity handler of universal waste who accumulates universal waste must be able to demonstrate the length of time that the universal waste has been accumulated from the date it becomes a waste or it is received. The handler may make this demonstration by:
 - (i) Placing the universal waste in a container and marking or labeling the container with the earliest date that any universal waste in the container became a waste or was received;
 - (ii) Marking or labeling each individual item of universal waste (e.g., each battery or thermostat) with the date it became a waste or was received.
 - (iii) Maintaining an inventory system on-site that identifies the date each universal waste became a waste or was received;
 - (iv) Maintaining an inventory system on-site that identifies the earliest date that any universal waste in a group of universal waste items or a group of containers of universal waste became a waste or was received;
 - (v) Placing the universal waste in a specific accumulation area and identifying the earliest date that any universal waste in the area became a waste or was received; or

- (vi) Any other method which clearly demonstrates the length of time that the universal waste has been accumulated from the date it becomes a waste or it is received.

Violation #6 Observation

During the inspection, DSWM observed one 5-gallon container of used lamps within Room 203 that did not have an accumulation start date. (See Attachment A, Photo 4)

Action Taken

Facility personnel placed an accumulation date of January 2, 2019, on the container during the CEI.

Violation #7 Rule 0400-12-01-.03(4)(e)6(v) states: [40 CFR 262.34]

(4) Pre-transport Requirements

(e) Accumulation Time

- 6. A small quantity generator who generates greater than 100 kilograms but less than 1000 kilograms of hazardous waste in a calendar month may accumulate hazardous waste on-site for 180 days or less without a permit or without having interim status provided that:

- (v) While being accumulated on-site, each container and tank is labeled or marked clearly with the words "Hazardous Waste";

Violation #7 Observation

DSWM staff observed one 5-gallon container of hazardous waste placed within Room 27-HWSA#1 that was not labeled "Hazardous Waste". (See Attachment A, photo 5)

Action Taken

Facility personnel labeled the 5-gallon container with the words "Hazardous Waste" during the CEI.

Violation #8 Rule 0400-12-01-.03(4)(e)6(iv)I states: [40 CFR 262.34]

(4) Pre-transport Requirements

(e) Accumulation Time

6. A small quantity generator who generates greater than 100 kilograms but less than 1000 kilograms of hazardous waste in a calendar month may accumulate hazardous waste on-site for 180 days or less without a permit or without having interim status provided that:
 - (iv) (I) Where containers are used, the date upon which each period of accumulation begins is clearly marked and visible for inspection on each container; or

Violation #8 Observation

DSWM staff observed one 5-gallon container of hazardous waste inside in Room 27-HWSA#1 that did not have the accumulation start date marked on it. (see Attachment A, photo 5)

Action Taken

Facility personnel placed an accumulation start date of May 1, 2019, on the 5-gallon container during the CEI.

Violation #9 Rule 0400-12-01-.03(4)(e)6(ii) states: [40 CFR 262.34]

(4) Pre-transport Requirements

(e) Accumulation Time

6. A small quantity generator who generates greater than 100 kilograms but less than 1000 kilograms of hazardous waste in a calendar month may accumulate hazardous waste on-site for 180 days or less without a permit or without having interim status provided that:
 - (ii) The generator complies with the requirements of Rule 0400-12-01-.05(9), except for Rules 0400-12-01-.05(9)(g) and .05(9)(i);

Rule 0400-12-01-.05(9)(d)2: [40 CFR 265.173]

(9) Use and Management of Containers

(d) Management of Containers

2. A container holding hazardous waste must not be opened, handled, or stored in a manner which may rupture the container or cause it to leak.

Violation #9 Observation

DSWM observed one 55-gallon drum of hazardous waste with an attached funnel located within Room 3-HWSA#2 that was open. (See Attachment A, Photo 6)

Action Taken

Facility personnel closed the 55-gallon container during the CEI.

Violation #10 Rule 0400-12-01-.03(4)(c)6(ii) states: [40 CFR 262.34]

(4) Pre-transport Requirements

(e) Accumulation Time

6. A small quantity generator who generates greater than 100 kilograms but less than 1000 kilograms of hazardous waste in a calendar month may accumulate hazardous waste on-site for 180 days or less without a permit or without having interim status provided that:

- (ii) The generator complies with the requirements of Rule 0400-12-01-.05(9), except for Rule 0400-12-01-.05(9)(g) and .05(9)(i);

Rule 0400-12-01-.05(9)(e) [40 CFR 265.174]

(9) Use and Management of Containers

(e) Inspections

At least weekly, the owner or operator must inspect areas where containers are stored. The owner or operator must look for leaking containers and for deterioration of containers caused by corrosion or other factors.

Violation #10 Observation

At the time of the inspection, DSWM staff did not observe documentation to demonstrate weekly inspections had been conducted on the 5-gallon container of hazardous waste located at Room – 27 HWSA#1. (See Attachment B)

REMARKS/RECOMMENDATIONS:

The DSWM appreciates the University of Memphis's cooperation during the CEI. If there are any questions about this report, please contact Christina Perez by phone at (901) 543-7829 or by email at Christina.Perez@TN.Gov.

Hazardous Waste Inspection Report
University of Memphis-J.M. Smith Hall
August 2, 2019
Page 19

SIGNED: 

DATE: 8/2/2019

Christina Perez, Hazardous Waste Inspector
State of Tennessee
Memphis Environmental Field Office
Division of Solid Waste Management

REVIEWED: 

DATE: 8/2/2019

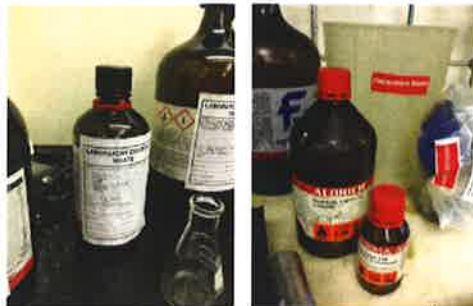
Herb Nicholson, P.G., CHMM, Environmental Field Office Manager
State of Tennessee
Memphis Environmental Field Office
Division of Solid Waste Management

Attachment A
University of Memphis-J.M. Smith Hall

June 18, 2018



1. One –liter container within Room 403 that needed a waste determination.



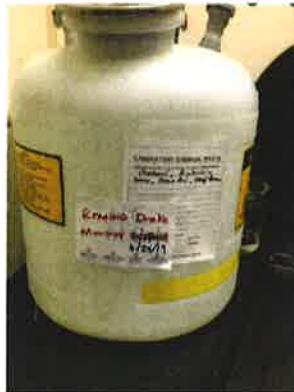
2. SAAs within Room 403, Room 223, Room 319, Room 203, and Room 18 that were not labeled properly.



3. Containers of used oil located within Room 319 and Room 217 that were not labeled properly.



4. One 5-gallon container within Room 203 of universal waste lamps that was not labeled, closed, or an accumulation start date.



5. HWSA#1 within Room 27 contained one 5-gallon container that was not labeled and did not have an accumulation start date.



6. HWSA#2 within Room 3 contained one 55-gallon container that was open.

TABLE 1

**The University of Memphis-Life Science Building
TND98-777-6341**

Waste Stream Information

WS Number	Description	EPA Waste Codes
3	Lab Pack-"P" Listed Waste: Discarding off Spec or Outdated Chemicals/products	P008, P012, P014, P105, P119, D001, D003, D004
4	Lab Pack-Waste Flammable Liquids: Discarding off Spec or Outdated Chemicals/Products	D001, D002, D003, D022, F001, F002, F003, F005
5	Lab Pack-Waste Corrosive Liquids: Discarding off Spec or Outdated Chemicals/Products	D001, D002, D003, D005, D007, D008, F003, U133
6	Lab Pack-Waste Reactive Liquids: Discarding off Spec or Outdated Chemicals/Products	D001, D002, D003
7	Lab Pack- Waste Poisonous Liquids	D001, D002, D003, D005, D006, D007, D008, D011
8	Lab Pack-Waste Oxidizing Liquid: Discarding off Spec or Outdated Chemicals/Products	D001, D002, D003, D005, D007, D008, D011
9	Lab Pack-Waste Mercury: Discarding off Spec or Outdated Chemicals/Products	D002 D009
10	Bulk Qty-Waste Flammable Liquids: Discarding off Spec or Outdated Chemicals/Products	D001, D002, D022, F002, F003, F005

ATTACHMENT B
Weekly Inspection Logs for HWSA#1

Date	Time	Container Location	Container Condition	Signs of Leakage	Other Observations	Corrective Action Taken	Inspector
9/10/10	1:30pm	028	Good	NO	#5 50% full	-	[Signature]
"	"	"	"	"	#6 100% full	-	[Signature]
"	"	"	"	"	#7 100% full	-	[Signature]
"	"	"	"	"	#8 100% full	-	[Signature]
"	"	"	"	"	#9 100% full	-	[Signature]
"	"	"	"	"	#10 10% full	-	[Signature]
"	"	"	"	"	#11 80% full	-	[Signature]
"	"	"	"	"	#12 60% full	-	[Signature]
"	"	"	"	"	#13 30% full	-	[Signature]
"	"	"	"	"	#14 20% full empty	-	[Signature]
"	"	"	"	"	#15 5% full	-	[Signature]
"	"	"	"	"	#16 30% full	-	[Signature]
"	"	"	"	"	#17 full	-	[Signature]
9/10/10	4:00pm	020	Good	NO	#1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12	picked up by maintenance	[Signature]
"	"	"	Good	"	#1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12	half full	[Signature]
"	"	"	Good	"	#1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12	80% full	[Signature]
"	"	"	Good	"	#1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12	60% full	[Signature]
"	"	"	"	"	#1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12	full	[Signature]

Inventory

Eye Wash Log

Weekly Hazardous Waste Inspection Log

Department: Chemistry			Building: Smith		Room Number: 027		
Date	Time	Container Location	Container Condition	Signs of Leakage	Other Observations	Corrective Action Taken	Inspector
10/05/19	17:05	027	good	no	#15 20% full	none	MRA
					#16 40% full		MRA
					#13 30% full		MRA
					#12 70% full		MRA
5/14/19	10:00	027	good	no	#17 80% full	none	MTH
					#14 40% full	none	MTH
					#18 20% full	none	
17/05/19	12:56	027	good	no	#15 100% full	Picked up by Adrienne	MRA
					#16 100% full	Picked up by Adrienne	MRA
					#13 30% full	none	MRA
					#12 70% full	Picked up by Adrienne	MRA
21/5/19	8:20	027	good	no	#17 full	picked up by Adrienne	MTH
					#14/Herbert-01 40% full	none	MTH
					#18/Herbert-02 20% full	none	MTH
24/05/19	11:17	027	good	no	#13 100% full	Declared for pickup	MRA
28/05/19	11:00	027	good	no	Herbert-01; 50% full	none	MTH
					Herbert-02; 100% full	full - declare for pickup	MTH
					Herbert-03; 10% full	none	
31/05/19	15:50	027	good	no	#13 100% full	waiting for pickup	MRA
31/05/19	15:50	027	good	no	MRA #1 100% full	Declared for pickup	MRA

Inventory

Eue Wash

Weekly Hazardous Waste Inspection Log

Department:			Building:		Room Number:		
Date	Time	Container Location	Container Condition	Signs of Leakage	Other Observations	Corrective Action Taken	Inspector
3/05/19	15:50	027	good	NO	MBA#2 0% full	NONE	MBA
3/06/19	9:00	027	good	NO	Herbert-01 100% full	declared for pickup	MTH
					Herbert-02 100% full	waiting for pickup	MTH
					Herbert-03 70% full	NONE	MTH
					Herbert-04 10% full	NONE	MTH
					#13 100% full	waiting for pickup	MBA
					MBA#1 100% full	waiting for pickup	MBA
					MBA#2 45% full	NONE	MBA
					Herbert-01 100% full	waiting pickup	MTH
					Herbert-02 100% full	waiting pick up	MTH
					Herbert-03 25% full	NONE	MTH
					Herbert-04 100% full	declared for pickup	MTH
					Herbert-05 10% full	NONE	MTH
					#13 100% full	waiting for pickup	MBA
					MBA#1 100% full	waiting for pickup	MBA
					MBA#2 100% full	declared for pickup	MBA
					MBA#3 50% full	NONE	MBA



Office of Internal Audit and Consulting

Tennessee Department of Environment and Conservation Division of Solid Waste Management Hazardous Waste Compliance Evaluation Inspection Violations and Management Action Plans FY2020

August 15, 2019

This report is intended solely for the internal use of the University of Memphis.
It should not be used for any other purpose. Any requests for this report to external
parties will be handled in accordance with institutional policies and applicable state statutes.
Contact Internal Audit if an external party makes a request for this report.

University of Memphis
Tennessee Department of Environment and Conservation Division of Solid Waste Management
Hazardous Waste Compliance Evaluation Inspection Violations and
Management Action Plans
August 15, 2019

Internal Audit received a University of Memphis Hazardous Waste Inspection Report dated January 7, 2019, from the Tennessee Department of Environment and Conservation (TDEC) Division of Solid Waste Management. The report identified 4 violations from the inspection performed on November 28, 2018 at the Life Sciences Building and the Ray L. Herzog Building.

Internal Audit received a second University of Memphis Hazardous Waste Inspection Report dated August 2, 2019, from the TDEC Division of Solid Waste Management. The report identified 10 violations from the inspection performed on June 18 and 24, 2019 at J.M. Smith Hall.

All violations in all locations were corrected quickly, some at the time of the inspection. No civil penalties were assessed on the violations cited in the January 7, 2019 report. The UofM Office of Environmental Health and Safety has been verbally informed that no civil penalties will be assessed on the violations cited in the August 2, 2019 report.

A subgroup of the Compliance Council met to discuss the inspections and violations. Even though the specific violations were corrected, we asked management of the respective facilities to develop management action plans to address these types of violations in the future.

Department of Biological Sciences

The November 28, 2018 inspection was conducted at the Life Sciences Building. The Life Sciences Building houses classrooms, offices, and laboratories for the University of Memphis' Department of Biological Sciences. At the time of the inspection, the Life Sciences Building was determined to be a large quantity generator of hazardous waste and was evaluated in accordance with the appropriate regulatory standards. The inspection was conducted to evaluate the facility's compliance with the Tennessee Hazardous Waste Management Act, T.C.A. §68- 212-101 et seq., with the Used Oil Collection Act of 1993 T.C.A. 68-211, Part 10, and with Tennessee's Hazardous Waste Regulations (Division Rule Chapter 0400-12-01) promulgated pursuant to those Acts.

Violations

1. Rule 400-12-01.03(4)(e)2(iii) states: [40 CFR 262.34]
Labeling of Hazardous Waste Containers
2. Rule 400-12-01.03(4)(e)2(ii) states: [40 CFR 262.34]
Marking Accumulation Start Dates on Hazardous Waste Containers

Management Action Plan

Department of Biological Sciences Management
Estimated Completion Date: 10/31/2019
Responsible Party: Dr. David Freeman, Chair - Department of Biological Sciences
The Department of Biological Sciences is in the early stages of forming a Lab Safety Committee (LSC). The LSC will be charged with three main duties: 1) ensuring that all Department employees have received their required hazardous waste initial training and annual re-trainings, 2)

conducting internal laboratory inspections to address safety concerns in general and hazardous waste specifically, and 3) serving as a Department resource to faculty and staff for questions about lab safety and hazardous waste.

Physical Plant Violations

The November 28, 2018 inspection was also conducted at Physical Plant's Ray L. Herzog Building Maintenance Shop and Storage Area. The Maintenance Shop is used to provide maintenance to the University's facilities. The Storage Area is utilized for used lamps, used electronics, and used batteries. The inspection was conducted to evaluate the facility's compliance with the Tennessee Hazardous Waste Management Act, T.C.A. §68- 212-101 et seq., with the Used Oil Collection Act of 1993 T.C.A. 68-211, Part 10, and with Tennessee's Hazardous Waste Regulations (Division Rule Chapter 0400-12-01) promulgated pursuant to those Acts.

Violations

1. Rule 0400-12-01-.12(2)(e)5 states: [40 CFR 273.14]
Labeling of Used Lamps
2. Rule 0400-12-01-.11(3)(c)3(i) states: [40 CFR 279.22]
Labeling of Used Oil Containers

Management Action Plan

Physical Plant Management

Estimated Completion Date: 10/1/2019

Responsible Party: Ron Brooks, Associate Vice President Physical Plant

Physical Plant administration will develop and implement a plan to improve employee training in hazardous waste handling, labeling, and storage. Physical Plant has created a larger storage area to alleviate the overcrowded condition in the existing storage location. Signage will be posted in strategic locations to remind employees of proper handling procedures.

Department of Chemistry

On June 18, 2019, and June 24, 2019, the Division of Solid Waste Management conducted a Hazardous Waste Compliance Evaluation Inspection at J.M. Smith Hall. J.M. Smith Hall houses classrooms, offices, and laboratories for the University of Memphis' Department of Chemistry. At the time of the inspection, J.M. Smith Hall was determined to be a small quantity generator of hazardous waste and was evaluated in accordance with the appropriate regulatory standards. The facility's hazardous waste is generated primarily from laboratory work and discarded expired chemicals. At the time of the inspection, J.M. Smith Hall had eight active hazardous waste streams. The inspection was conducted to evaluate the facility's compliance with the Tennessee Hazardous Waste Management Act, T.C.A. §68-212-101 et seq., with the Used Oil Collection Act of 1993 T.C.A. 68-211, Part 10, and with Tennessee's Hazardous Waste Regulations (Division Rule Chapter 0400-12-01) promulgated pursuant to those Acts.

Violations

1. Rule 0400-12-01-.03(1)(b) states: [40 CFR 262.11]
Hazardous Waste Determination
2. Rule 0400-12-01-.03(4)(e)5(i)(II) states: [40 CFR 262.34]
Pre-transport Requirements
3. Rule 0400-12-01-.11(3)(c)3(i) states: [40 CFR 279.22]
Standards for Used Oil Generators
4. Rule 0400-12-01-.12(2)(e)5 states: [40 CFR 273.14]
Mercury-containing Equipment Labeling/Marking
5. Rule 0400-12-01-.12(2)(d)4(i)1 states: [40 CFR 273.13]
Universal Waste Lamps
6. Rule 400-12-01.12(2)(f)3 states: [40 CFR 273.15]
Accumulation Time Limits
7. Rule 0400-12-01-.03(4)(e)6(v) states: [40 CFR 262.34]
Pre-transport Requirements
8. Rule 0400-12-01-.03(4)(e)6(iv)l states: [40 CFR 262.34]
Pre-transport Requirements
9. Rule 0400-12-01-. 03(4)(e)6(ii) states: [40 CFR 262.34] & Rule 0400-12-01-. 05(9)(d): [40 CFR 265.173]
Pre-transport Requirements & Use and Management of Containers
10. Rule 0400-12-01-.03(4)(e)6(ii) states: [40 CFR 262.34] & Rule 0400-12-01-. 05(9)(e) [40 CFR 265.174]
Pre-transport Requirements & Use and Management of Containers

Management Action Plan

Department of Chemistry Management

Estimated Completion Date: 9/1/2019

Responsible Party: Dr. Henry Kurtz, Interim Chair & Professor - Department of Chemistry

The Chemistry Department Facilities Committee (Committee) will provide the newly created Chemistry Personnel Training Checklist to all faculty, staff, and graduate students by September 1 each year and confirm compliance with training and refresher training by September 4 each year. Notice will be provided by the Committee to satisfy any training deficiencies. Department staff with laboratory management responsibilities will complete HAZWOPER refresher training by September 1 each year. The Department's Laboratory Self-Inspection List was revised and will continue to be completed on a yearly cycle. Posters outlining hazardous waste handling procedures will be placed in each research and teaching-prep lab by September 1 and verified annually.

9. FY 2019 Internal Audit Year End Report

Presentation

Presented by Vicki Deaton

The University of Memphis Board of Trustees

Presentation

For Information

Date: September 4, 2019

Committee: Audit Committee

Presentation Title: FY2019 Office of Internal Audit and Consulting Year End Report

Presented by: Vicki D. Deaton, Chief Audit Executive

Synopsis:

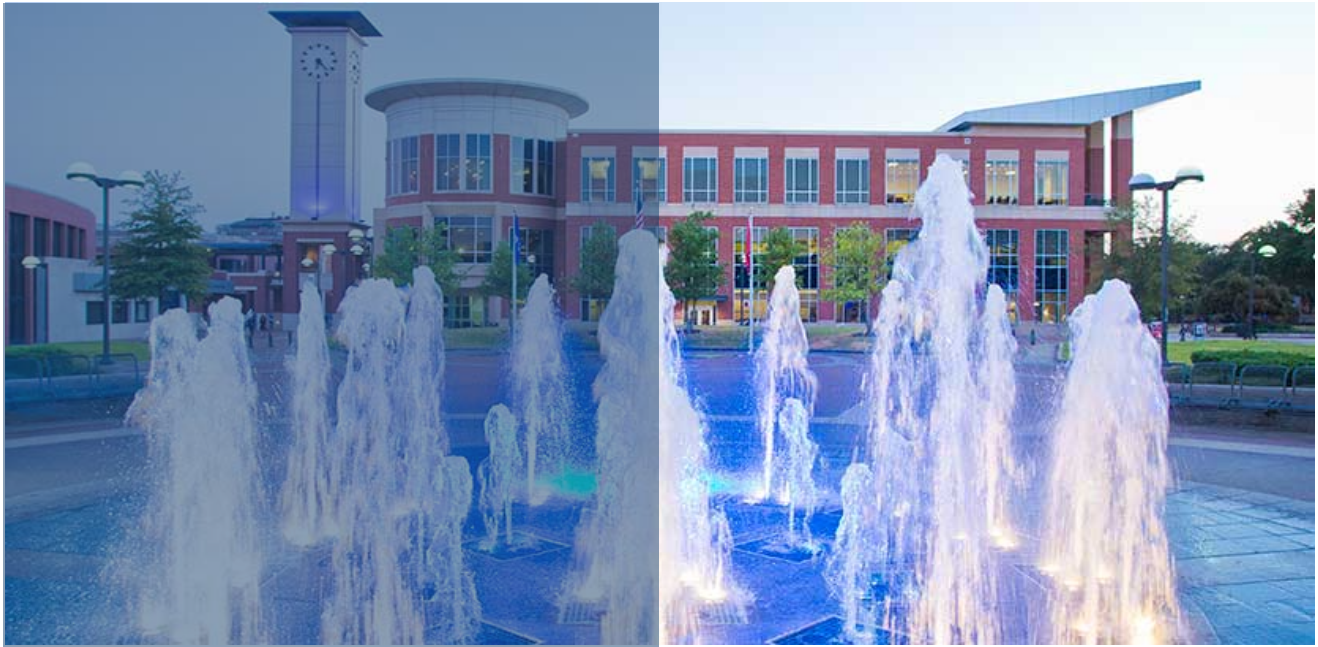
Please see the attached University of Memphis Office of Internal Audit and Consulting Year End Report for the Fiscal Year Ended June 30, 2019.

UNIVERSITY OF MEMPHIS OFFICE OF INTERNAL AUDIT AND CONSULTING

Year End Report
For the Fiscal Year
Ended June 30, 2019



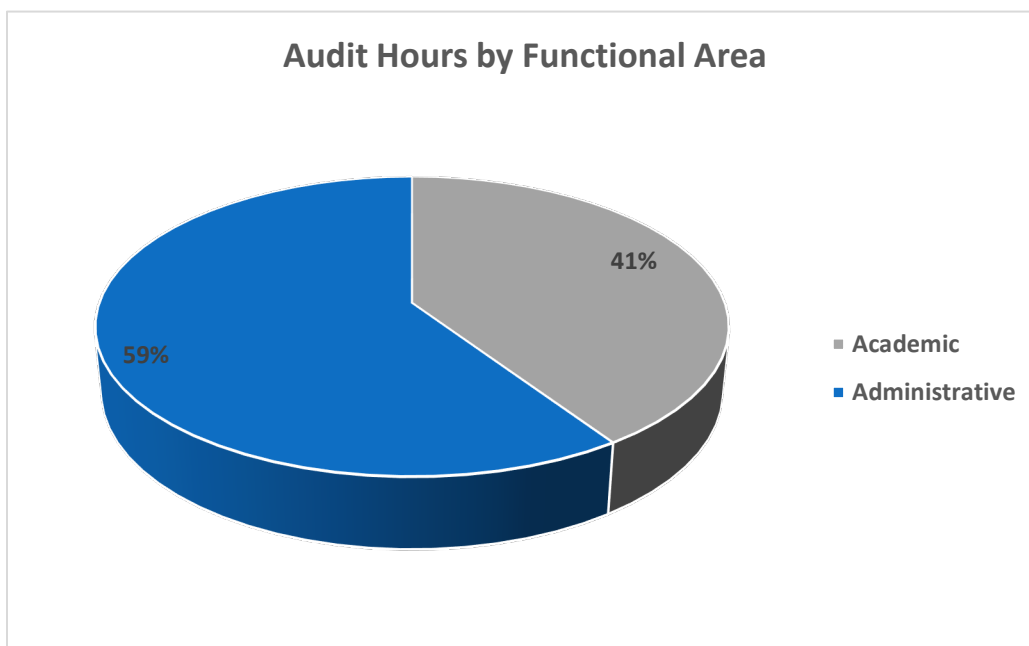
Office of Internal Audit & Consulting
271 Administration Building
Memphis, TN 38152



DISTRIBUTION OF AUDIT HOURS

The Office of Internal Audit and Consulting classifies audits by functional area. This allows us to report to the Board of Trustees and management the segments of the University community we are serving. Below is a chart showing the distribution of audit hours by functional area:

FY2019 Audit Hours by Functional Area

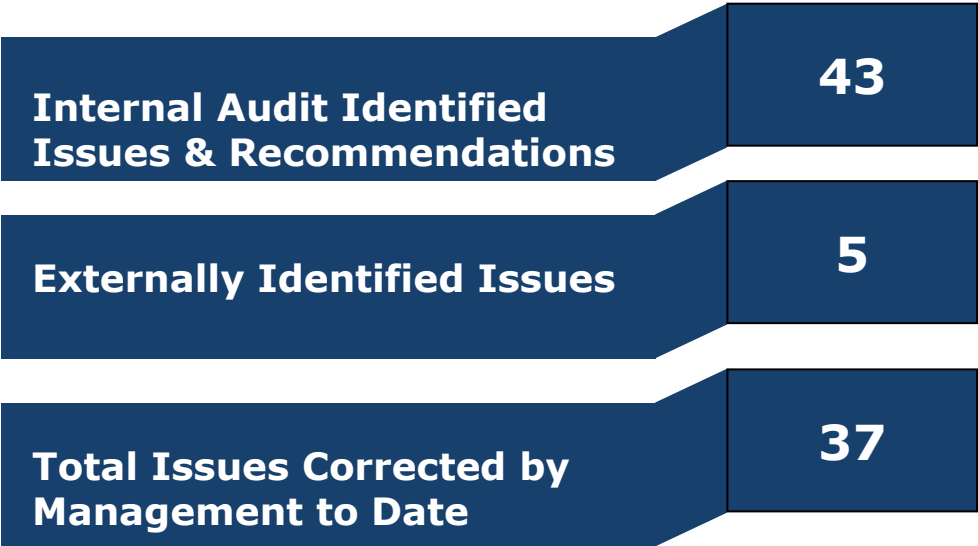




AUDIT ISSUES TRACKED BY INTERNAL AUDIT

Audits often reveal opportunities for management to improve operations. Significant opportunities are generally included in the audit report as recommendations. Less significant opportunities may not be included in the audit report but discussed with the appropriate staff.

Audit Recommendation Summary for FY2019



INVESTIGATION SUMMARY

The University of Memphis Office of Internal Audit and Consulting has an established process for receiving reports of fraud, waste, abuse, or illegal activity. Internal Audit performs confidential investigations of reports received or refers the report to the appropriate organization. If Internal Audit performs an investigation, a confidential report will be provided to the Audit Committee, the Tennessee Comptroller of the Treasury, and University of Memphis upper management.

Certain reports received by the Office of Internal Audit and Consulting may be referred to other organizations because Internal Audit does not conduct criminal investigations, get involved in personnel complaints, personnel actions, matters related to tenure, or investigate reports of discrimination or sexual assault. Any reports received that involve potential or actual criminal acts will be referred to University Legal Counsel and the appropriate law enforcement agency for investigation. Personnel issues will be referred to Human Resources. Reports of discrimination or sexual assault issues will be referred to University Legal Counsel and the Office of Institutional Equity (OIE) for investigation. Matters relating to tenure of faculty will be referred to the Office of the Provost. Internal Audit may assist and provide information to University Legal Counsel, law enforcement, Human Resources, the Provost Office, or OIE if requested.

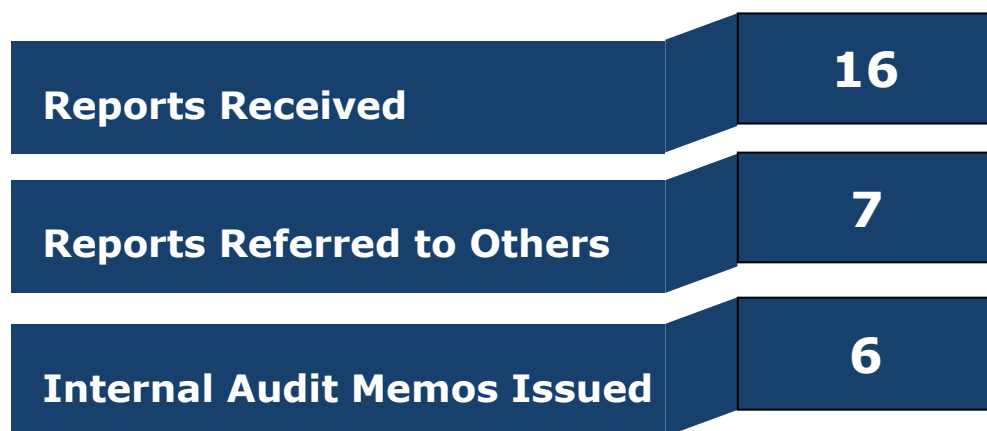


Fraud awareness is promoted across the University Campus community in various ways. To set the appropriate tone at the top, the President periodically sends a faculty and staff email stressing the responsibility of all University employees to ensure our resources are properly managed and safeguarded against inappropriate use by reporting activities that could be fraud, waste, or abuse. The last email was sent on August 19, 2019, and the information is available on the Office of the President's website.

Internal Audit promotes reporting of fraud, waste, or abuse by meeting with employee and student groups across Campus. An Internal Audit brochure titled Reporting Fraud, Waste and Abuse is provided to groups during presentations and to audit clients during the audit process. The brochure is posted on the Office of Internal Audit and Consulting's website, which contains a page devoted to reporting fraud, waste, and abuse of University resources. A link to submit a report online is provided, as well as other reporting options. Internal Audit provided a brief fraud awareness section for inclusion in Human Resources new employee orientation. Also, Tennessee Comptroller of the Treasury fraud, waste, or abuse hotline posters are displayed in multiple locations across Campus.

Below is a summary of the investigative activity for fiscal year 2019:

Investigation Summary for FY2019



OTHER SIGNIFICANT ACCOMPLISHMENTS

Tennessee Code Annotated Section 4-3-304 (9) requires that internal audit staffs of higher education institutions comply with the Institute of Internal Auditor's (IIA's) Standards for the Professional Practice of Internal Auditing. Those Standards require the UofM Office of Internal Audit and Consulting to have a quality assurance and improvement program that includes periodic internal and external quality assessments and ongoing monitoring for conformance with the Standards. External assessments must be performed at least once every five years by a

qualified, independent assessor or assessment team from outside the organization. This external assessment can take the form of a full external assessment or a self-assessment with independent external validation.

The UofM Office of Internal Audit and Consulting conducted a quality self-assessment of the internal audit activity during spring 2019. The principal objective of the quality self-assessment was to determine the internal audit activity's conformity to the IIA's International Standards for the Professional Practice of Internal Auditing (Standards), Definition of Internal Auditing, Core Principles for the Practice of Internal Audit (Core Principles), and the Code of Ethics.

The quality self-assessment overall opinion was that the UofM Office of Internal Audit and Consulting generally conforms to the IIA's Standards, Definition of Internal Auditing, Core Principles, and the Code of Ethics. In June 2019, independent external quality validators affirmed the quality self-assessment opinion of conformance.

The FOCUS transition and the formation of the University of Memphis Audit Committee of the Board of Trustees has led to further accomplishments which are listed below.

- ☑ Increased Communications with All Stakeholders
- ☑ Valuable Audit Committee Communications
- ☑ Identification of Opportunities for Management to Improve Operations
- ☑ Promoting Fraud Awareness and Investigating FWA Reports
- ☑ Increasing Compliance Role by Managing External Audit Reports and Issue Follow Up

Additionally, Internal Audit staff has served on the following committees and advisory boards.

- ✓ Board of Trustees Transition Task Force
- ✓ Compliance Council
- ✓ Conflict of Interest Committee
- ✓ Information Security Advisory Committee
- ✓ Payments Process Review Committee
- ✓ Policy Review Board
- ✓ Risk Assessment Advisor
- ✓ Safety Committee

10. Information Security Program

Presentation

Presented by Robert Jackson

The University of Memphis Board of Trustees

Presentation

For Information

Date: September 4, 2019

Committee: Audit Committee

Presentation Title: Update of Information Security Program

Presented by: Robert Jackson, Chief Information Officer

Synopsis:

Dr. Robert Jackson will provide an update of the Information Security Program which governs individual use of University technology resources, staffing, email security gateway, network firewall and the desktop security initiative.

Information Security Program Update

Audit Committee

Dr. Robert Jackson
Chief Information Officer

September 4, 2019
University Center

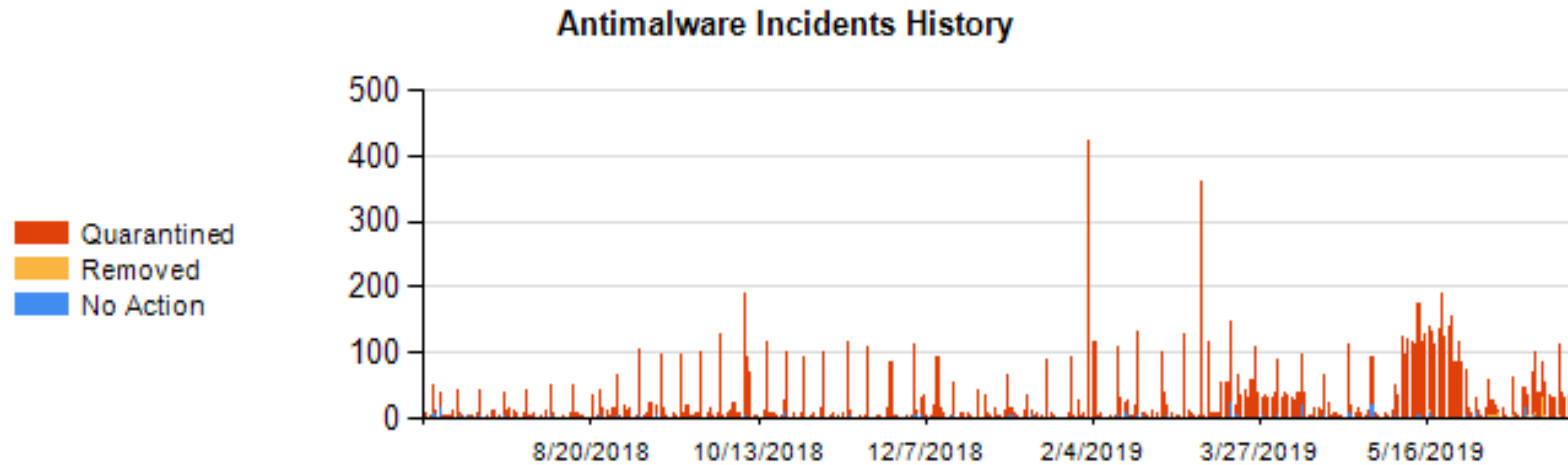


Status Update

- Multi-factor authentication for all employees
- IT Security Awareness Training required for all employees
- Hired IT Security Communications Coordinator
- Email security gateway
- Network firewall
- Desktop security initiative (95%)
 - Administrative privileges
 - Encryption

FY2019 summaries

Desktop antimalware activity:



Summaries cont'd

Email spam/virus prevention:

Month-Year	Total Inbound Email	Rejections (includes viruses & spam)	Legit Inbound Email	% Rejections
Aug - 2018	8,580,871	3,569,573	5,011,298	41.6 %
Sep - 2018	8,260,319	2,941,633	5,318,686	35.61 %
Oct - 2018	9,343,272	3,698,286	5,644,986	39.58 %
Nov - 2018	9,606,356	3,377,861	6,228,495	35.16 %
Dec - 2018	9,137,442	3,767,936	5,369,506	41.24 %
Jan - 2019	11,176,155	5,958,729	5,217,426	53.32 %
Feb - 2019	9,562,331	4,558,572	5,003,759	47.67 %
Mar - 2019	10,310,819	4,886,455	5,424,364	47.39 %
Apr - 2019	8,765,775	3,434,755	5,331,020	39.18 %
May - 2019	8,536,906	3,166,683	5,370,223	37.09 %
June - 2019	7,973,774	3,405,277	4,568,497	42.71 %
July - 2019	9,186,956	4,482,335	4,704,621	48.79 %

Summaries cont'd

IT Security engagements:

Category	Escalation Level						Total
	1 - Very Minor	2 - Minor	3 - Low	4 - Moderate	5 - High	6 - Very High	
Denial of Service							0
Malicious Code							0
Unauthorized Access		3					3
Inappropriate Usage		4					4
Personally Identifiable Information			2				2
Other	1	1	1				3
Total	1	8	3	0	0	0	12

Outcomes included:

- Policy violation notification (2)
- No action required (2)
- Training recommendation (1)
- Issue remediated (3)
- Referred for follow-up (4)

Next Steps

- Strengthen IT Security Awareness Training
 - New employee on-boarding with in-depth training
 - Annual refresher training for current employees
 - Outreach efforts with IT Security Communications Coordinator
 - Consider offering access to students
- FY 2020 core network / firewall upgrade
- Leverage Security Information and Event Management (Splunk)
- Review technology for blocking malicious web sites

Summary

The Information Security Program is effectively mitigating risks and responding to threats, and

ITS is continuing to strengthen the program through technology deployment and enhancement of policies, procedures, and training.

Thank you

11. Office of Institutional Equity Annual Summary

Presentation

Presented by Kenneth Anderson

The University of Memphis Board of Trustees

Presentation

For Information

Date: September 4, 2019

Committee: Audit Committee

Presentation Title: Office for Institutional Equity Annual Report (FY 18-19)

Presented by: **Kenneth Anderson, Office for Institutional Equity Director**

Synopsis:

The presentation will provide a five-minute overview of key OIE statistics regarding its prevention and enforcement activities regarding the University's policies which implement Title VI, Title VII, Title IX, the ADA and the ADEA. The University will be sharing these statistics with appropriate state agencies in late September as part of annual reporting requirements and hope to use this presentation to answer any questions BOT members may have about the data or office.

Board of Trustees Meeting

September 4, 2019
University Center

OIE FY 18-19 Annual Report Summary

Kenneth Anderson
Director, Office for Institutional Equity



OIE Overview

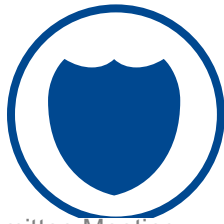
KEY OIE FUNCTIONS



**Prevention and
Awareness
Programming**



**Grievance
and
Complaint
Procedure**



**Training and
Policy
Enforcement**

RELEVANT POLICIES

GE 2004 | Equal Employment Opportunity,
Affirmative Action

GE 2030 | Non-Discrimination and Anti-
Harassment

GE 2024 | Discrimination, Harassment -
Complaint and Investigation Procedure

GE 2031 | Sexual Misconduct
and Domestic Violence

HR 5055 | Nepotism and Personal
Relationships Policy

GE2032 | Limited English Proficiency Policy

Title IX Prevention Center

Online Trainings



5400+
students

2300+

Faculty/Staff

In-Person Trainings



150

trainings

1300+

students

Events & Programs



7

events

900+

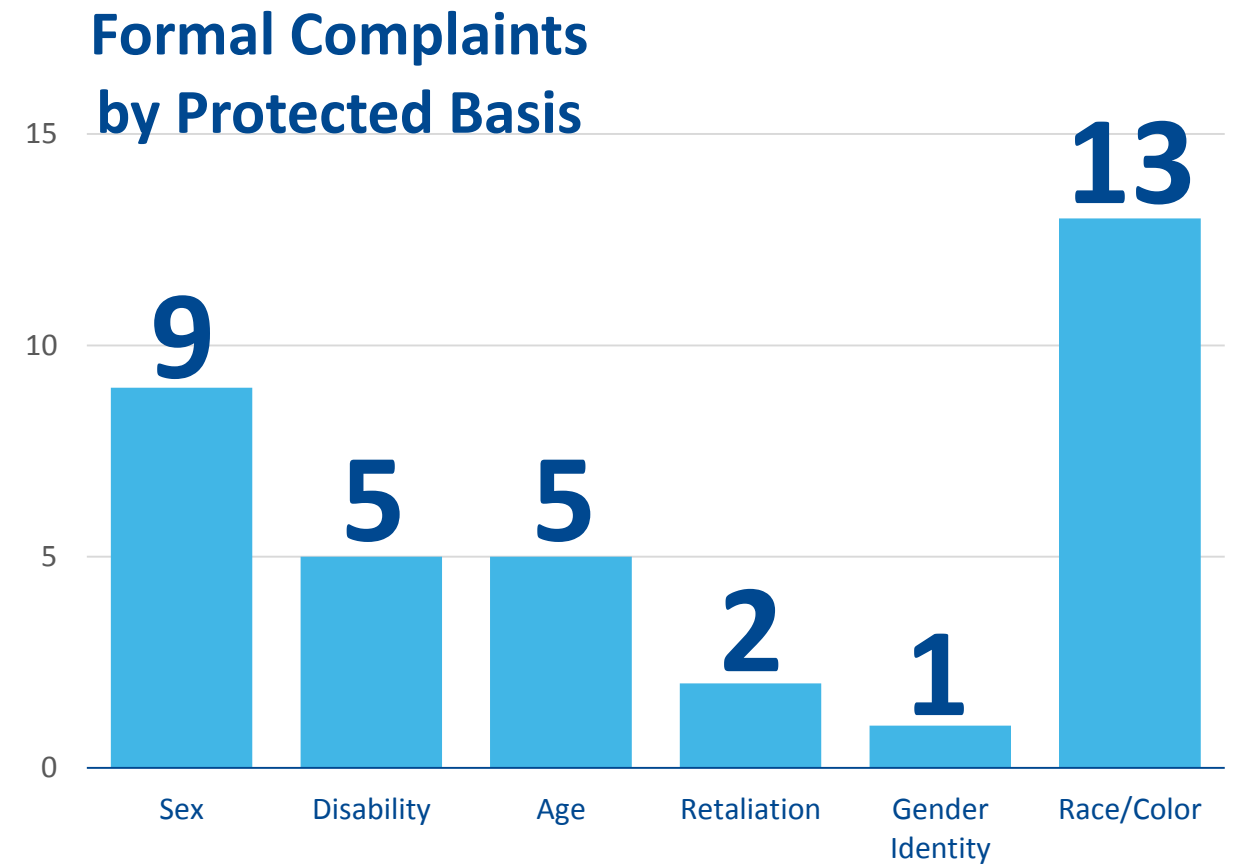
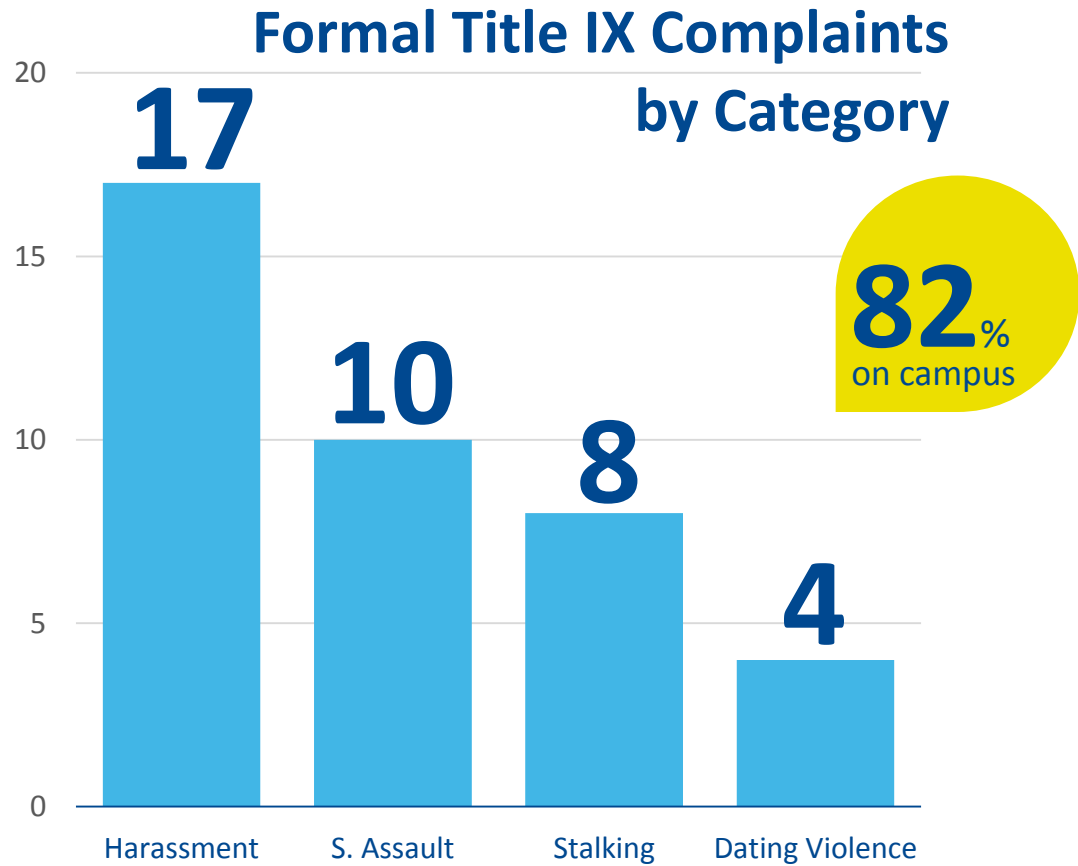
students

Enforcement Totals

	Total Reports	Formal Complaints
Title IX: Sexual Misconduct	154	39
Discrimination & Harassment	57	25
Title IX: Pregnancy Accommodation	10	0
EEOC	4	4
Personal Relationships & Nepotism	1	1
	226	69

92.9%

closed



Support/Referrals/Outreach

On-Campus Partners

- University Counseling Center
- Student Health Center
- Employee Assistance Program
- Student Outreach and Support
- UofM Victim Services
- Disability Resources for Students
- Athena Project
- Psychological Services Center
- Police Services

Partner Agencies

- Shelby County Crime Victims Center
- Family Safety Center
- Memphis Area Legal Services
- SisterReach
- Memphis Area Women's Council
- TN Coalition to End Sexual Violence
- Memphis Police Department

Student Organizations

- Sexual Assault Prevention and Awareness Coalition
- Safety Net

ANNUAL REVIEW OFFICE FOR INSTITUTIONAL EQUITY

2018-2019

PRIMARY PREVENTION PROGRAM

- In June 2018, OIE hired its first Title IX: Prevention Specialist, Abby Kindervater, J.D., and the Provost's Office appointed its first Title IX: Prevention Follow, Dr. Mollie Anderson.
- Charged with developing a comprehensive, researched-based primary prevention program to combat sexual and domestic violence affecting the University of Memphis community.
- The primary prevention program engages the UofM community through targeted in-person and online training, events and programs, community partnerships, and through support for student organizations engaged in primary prevention efforts.



In-Person Training

ACAD 1100

ACAD 1100 is a freshman academic strategies course that over half of the freshman class takes. This year, OIE and campus partners presented an interactive, 70-minute, researched-based workshop with each section of ACAD 1100 that engaged students in conversations about healthy relationships, bystander intervention, warning signs in relationships, and resources/ reporting options.

1300+

Students receiving in-person training through ACAD 1100

63

Sections of ACAD 1100 received in-person training

Outcomes:

- 99% of students felt the presentation was informative
- 92% of students felt their knowledge about how to intervene if they see a concerning situation improved
- 91% of students felt their knowledge about the University's interpersonal violence policy increased

In-Person Trainings 2018-2019

150

Total number of in-person trainings facilitated during 2018-2019 school fiscal year

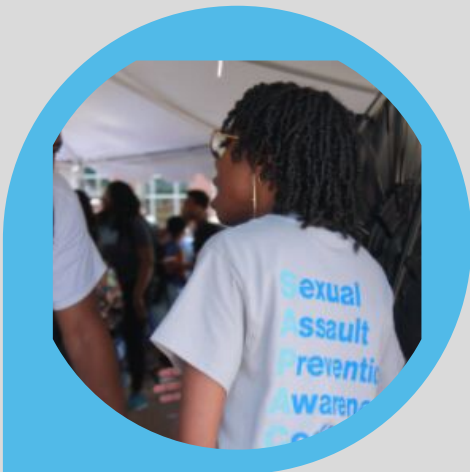
- Alpha Gamma Delta
- Army ROTC
- F.I.R.S.T. Institute
- Frosh Camp Counselors
- International Students
- Orientation Guides
- Lambuth Incoming Freshman
- Orientation
- Resident Advisors
- Career Services Student Workers

Events & Programs



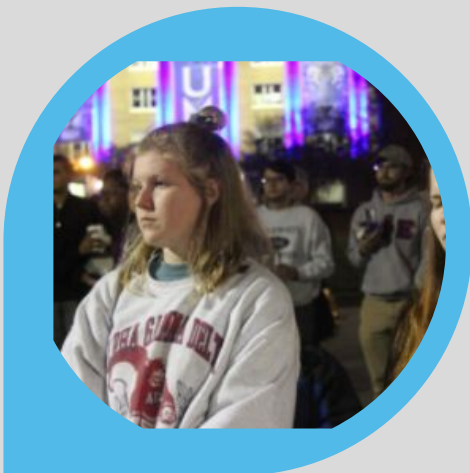
Walk a Mile in Her Shoes

- 260 students, faculty, staff, attended
- 8th Annual Walk a Mile in Her Shoes event
- Goal is to reduce incidents of sexual and domestic violence and to recognize men as allies in that goal
- Speakers included City Council Member Worth Morgan, OIE Director Kenneth Anderson, and SGA Vice-President Antonio Scott, among others.



Healthy Relationships Fair

- 400+ students, faculty, and staff members attended
- Biggest event during Sexual Assault Awareness Month in April
- Attendees were able to learn skills-based techniques for resolving conflict, negotiating consent, etc. from community partners, such as the Athena Project, the Shelby County Rape Crisis and Crime Victims Center, and the UofM Counseling Center.



Take Back the Night

- 100+ students, faculty, staff, and community members attended
- Event gave voice to survivors of sexual and domestic violence through speak-outs and a candlelight vigil.

SAPAC & Community Partnerships

Sexual Assault Prevention & Awareness Coalition (SAPAC)

- Registered student organization advised by the Title IX: Prevention Specialist
- OIE believes that student advocacy and involvement is critical to its mission of preventing sexual and domestic violence at the UofM
- SAPAC has worked closely with OIE on events, such as Take Back the Night, the Bystander BBQ, and Walk a Mile in Her Shoes, and on trainings through its peer education program.



SAPAC was awarded Student Organization of the Year at this year's President Leadership Recognition Awards

Peer Education Program

- Students involved in SAPAC's Peer Education program participate in 40 hours of training in peer education, facilitation techniques, and sexual violence prevention during a retreat hosted and facilitated by OIE
- Peer Educators receive the NASPA (Student Affairs Professionals in Higher Education) Certified Peer Educator Credential
- Each semester, Peer Educators participate in 20 hours of facilitating presentations, including co-facilitating ACAD 1100 sections with professional staff members.

Community Partnership Highlights

OIE has formed strong relationships with community advocacy groups and service providers for those affected by sexual and domestic violence.

- Participated in Girls, Inc. #GirlsToo conference
- Assisted Shelby County Rape Crisis Center in hosting Primary Prevention Conference and Men Can Stop Rape Speaker on campus
- Hosted documentary and Walk a Mile in Her Shoes with Memphis Area Women's Council

NON-DISCRIMINATION & ANTI-HARASSMENT ENFORCEMENT ACTIVITIES SUMMARY

- A central function of the Office for Institutional Equity is maintaining a safe campus community through the enforcement of our anti-discrimination and anti-harassment policies, including the UofM's Sexual and Domestic Violence Misconduct Policy
- OIE made great strides in FY 18-19 to streamline its processes with the implementation of Maxient– the office's electronic case management software– which greatly enhanced our ability to both track and analyze case data
- The following slides share key statistics and data related to OIE's enforcement activities during the last fiscal year

2018-2019 Case Management Statistics

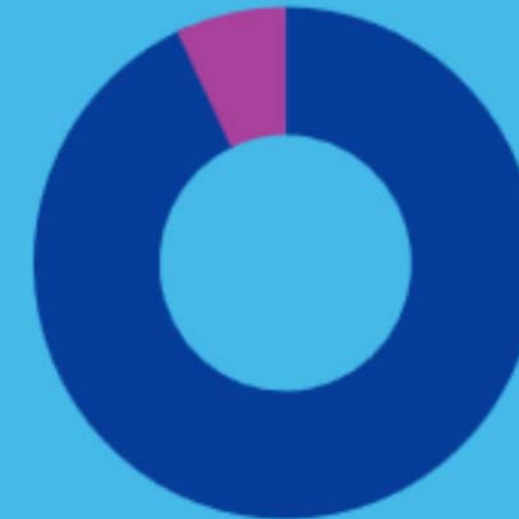
OIE Total Reports: All Categories FY 2018-19

	Total Reports	Formal Complaints
Title IX: Sexual Misconduct	154	39
Discrimination & Harassment	57	25
Title IX: Pregnancy Accommodation	10	0
EEOC	4	4
Personal Relationships & Nepotism	1	1
	226	69

OIE Case Status: All Categories FY 2018-19

	Open Cases	Closed or Resolved
Title IX: Sexual Misconduct	4	150
Discrimination & Harassment	9	48
Title IX: Pregnancy Accommodation	0	10
EEOC	3	1
Personal Relationships & Nepotism	0	1
	<hr/> 16	<hr/> 210

Open Investigations
7.1%



Closed or Resolved
92.9%

Complaint Process:



Report Received



Outreach and
Interim Measures



Intake and Interviews



Formal Complaint or
Informal Resolution



Investigative Report
and Findings



Appeal



Sanctions

Title IX Reports FY18-19

Title IX Misconduct Includes:

SEXUAL HARASSMENT

SEXUAL ASSAULT

STALKING

DATING VIOLENCE

DOMESTIC VIOLENCE

154

Total Reports

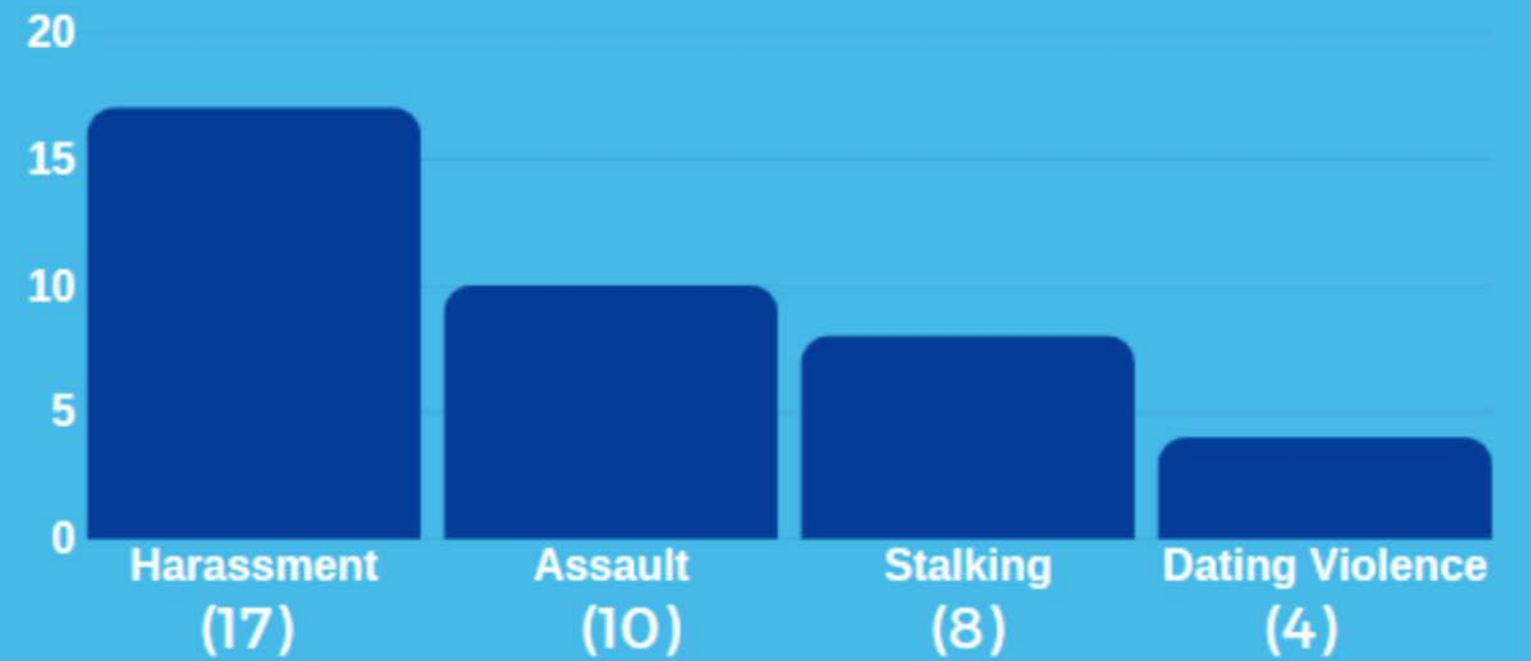
39

Formal
Complaints

115

Reports: No
Formal
Complaint

39 Formal Complaints by Category:



Title IX Formal Complaints by Location

32

On Campus

7

Off Campus

Title IX: FY18-19

FORMAL COMPLAINT OUTCOMES: TOTAL 39

Open Investigations 4

Investigative Findings:

Policy Violation 6

No Policy Violation 1

Complaint Resolved via
Informal Resolution
between parties and
OIE 28

TITLE IX REPORTS: NO FORMAL COMPLAINT TOTAL 115

Outreach conducted
and Complainant
declined to participate
in an investigation 36

Complainant did not
respond to multiple
Outreach attempts 48

Matter not covered
under Title IX Policy
or OIE purview 3

Respondent not
affiliated with
University: Provided
resources and/or
referred to Victim
Services: 28

Support and Advocacy Resources Provided



In-Person Consultations



E-mail Referrals



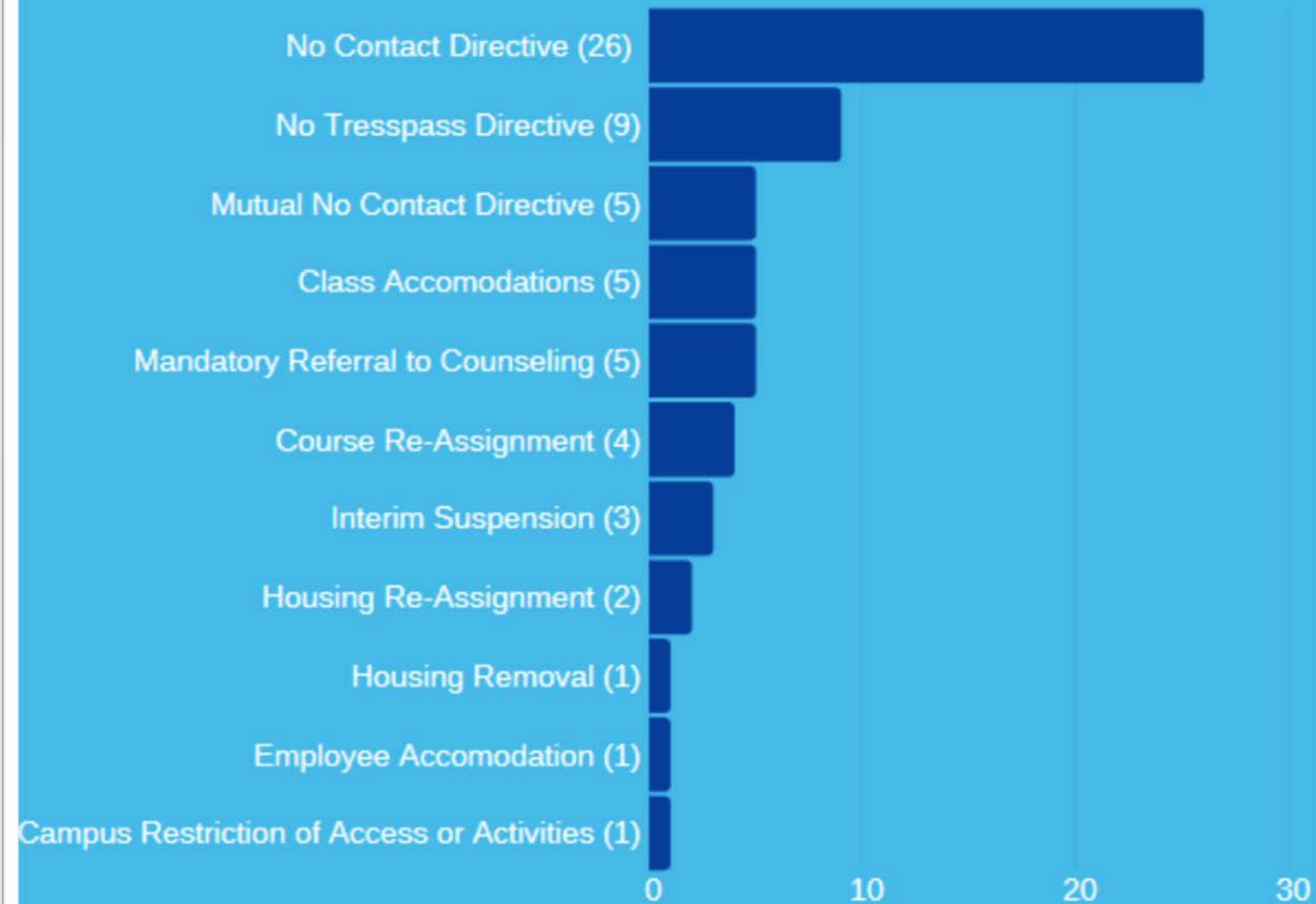
Phone Outreach

141

STUDENTS, STAFF AND FACULTY
CONNECTED TO RESOURCES



Interim Safety Measures and Protective Actions Taken



GE:2030 Non-Discrimination and Anti-Harassment

GE:2030 PROHIBITS DISCRIMINATION BASED ON THE FOLLOWING BASES:

RACE
COLOR
NATIONAL ORIGIN
RELIGION
SEX
DISABILITY
VETERANS STATUS
MARITAL STATUS
GENDER IDENTITY/EXPRESSION
SEXUAL ORIENTATION
AGE

57
Total Reports

25

Formal
Complaints

32

Reports: No
Formal
Complaint

Formal Complaints by Protected Basis



Note: The 25 total complaints include 35 unique allegations given that several complaints have multiple bases

GE:2030 Non-Discrimination and Anti-Harassment

FORMAL COMPLAINT OUTCOMES: TOTAL 25

Open
Investigation 9

Investigative Findings:

Policy Violation 1

No Policy
Violation 4

Complaint Resolved
via Informal
Resolution between
parties and OIE 11

REPORTS: NO FORMAL COMPLAINT TOTAL 32

Outreach conducted and
Complainant declined to participate
in an investigation 7

Complainant did not
respond to multiple
outreach attempts 8

Matter not covered under
OIE policy or purview 11

Respondent not affiliated
with University 1

Other Administrative Closure 5

21,458

Student Population
Fall 2018

2,579

Staff and Faculty
Fall 2018

24,037

Total University Community

< .03%

Registered
Complaints

12. Additional Business

13. Adjournment