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**OFFICE OF THE CHANCELLOR**

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**DATE:** September 1, 2020  
**TO:** House Committee on Higher Education  
**FROM:** Chancellor Mike Reeser, TSTC  
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**REGARDING:** Request for Information, Interim Charge #5

Interim Charge 5:

*Monitor the State Auditor's review of agencies and programs under the Committee's jurisdiction. The Chair shall seek input and periodic briefings on completed audits for the 2019 and 2020 fiscal years and bring forth pertinent issues for full committee consideration.*

1. The Committee seeks information from the State Auditor's Office pertaining to all audits performed (relevant to the Committee's jurisdiction) resulting in recommendations by the State Auditor's Office.

**In FYs 2019 & 2020, the State Auditor's Office conducted one audit (issued in February 2019) that included a recommendation for TSTC. That audit was for the Federal Portion of the Statewide Audit for FY 2018, report 19-315.**

**In that audit, the Auditor's Office followed-up on an observation originally cited in a similar audit for FY 2013, report 2014-122. The observation related to the Cost of Attendance budgets for federal financial aid on the TSTC Marshall campus, specifically that these budgets were not consistently calculated properly and that these budgets inappropriately included a personal expense component for students who were enrolled less than full-time. The State Auditor's Office determined TSTC had taken the appropriate corrective action. This report can be provided upon request.**

**The State Auditor's Office is currently performing an audit of financial processes at the College.**

2. The Committee seeks information regarding the status of the response to recommendations made by the State Auditor.

**As of the date of this submittal and as confirmed by James Timberlake with the Auditor's Office, there are no outstanding recommendations issued by the State Auditor's Office that require action.**