

**Agenda Item:** I. D.

**DATE:** July 29, 2010

**SUBJECT:** Recommended Revision to THEC/TSAC Audit Committee Charter

**ACTION RECOMMENDED:** Approval

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**BACKGROUND INFORMATION:** The creation of an audit committee was required under Public Chapter 310, known as the “State of Tennessee Audit Committee Act of 2005.” The audit committee has authority to conduct or authorize investigations into any matter within its scope of responsibility. The Commission approved the merging of the THEC and TSAC audit committees on July 24, 2008.

**Revision of THEC/TSAC Audit Committee Charter**

The proposed revision deletes the requirement to have three members from each organization on the committee. A quorum will require three or more members to be present. The revision adds that the committee and its chair shall be “selected by the Executive Director of THEC/TSAC and confirmed by the” Commission/Board of Directors. “Commission/Board of Directors” is added to the charter approval requirements. Other miscellaneous changes are also included. The charter is attached. Staff recommends approval.