# BOARD of REGENTS



THE UNIVERSITY OF
NEW MEXICO.

# AUDIT AND COMPLIANCE
# COMMITTEE
# VIRTUAL MEETING

*Thursday, February 10, 2022 9:00 AM*

The University of New Mexico
Board of Regents' Audit and Compliance Committee
*February 10, 2022*
*Virtual Meeting*
**Agenda**

## ACTION ITEMS

1. Confirmation of a Quorum and Adoption of Agenda

2. Approval of (Special) Meeting Minutes from October 29, 2021

3. Audit and Compliance Committee remaining proposed meeting dates for calendar year 2022. The Committee will meet virtually until further notice.

    May 5, 2022 (Entrance Conference for FY22 Financial Statements Audit)
    August 11, 2022
    October 20, 2022 (Exit Conference for FY22 Financial Statements Audit)

## INFORMATION ITEMS

4. Advisors' Comments

5. Director of Internal Audit Status Report (*Victor Griego, Internal Audit Director)*

6. Main Campus Chief Compliance Officer Status Report and OEO Data *(Francie Cordova, Chief Compliance Officer, Angela Catena, Title IX Coordinator)*

7. Health Sciences Center Chief Compliance Officer Status Report *(Arthur Culpepper, HSC Chief Compliance Officer)*

8. Status of Audit Recommendations (Chien-Chih Yeh, *Internal Audit Manager)*

### EXECUTIVE SESSION

9. Vote to close the meeting and to proceed in Executive Session as follows:

    a. Discussion of draft Internal Audit Reports, and discussions of information subject to attorney-client privilege pursuant RPM 1.2;
    b. Schedule of Audits in Process and FY22 Audit Work plan, pursuant to RPM 1.2;
    c. Vote to re-open the meeting.

10. Certification that only those matters described in Agenda item #9 were discussed in Executive Session and if necessary ratification of action, if any, taken in Executive Session.

11. Adjournment

| THE UNIVERSITY OF NEW MEXICO |
| :---: |
| Board of Regents' Audit and Compliance Committee Virtual Special Meeting |
| October 29, 2021 – Draft Meeting Minutes |

Members Present: Douglas Brown, Chair, Bill Payne, Vice Chair, Randy Ko (quorum).

Other Attendees: Garnett Stokes, Liz Metzger, Terry Babbitt, Francie Cordova, Teresa Costantinidis, Ava Lovell, Ari Vazquez, Arthur Culpepper, Duane Arruti, Angela Vigil, Bonnie White, Lisa Todd (Moss Adams), Sujan Bhandari (Moss Adams), John Kennedy (KPMG), Jamie Cavin (KPMG), Ruth Senior (KPMG), Brian Colon (OSA), Natalie Cordova (OSA), Elena Tercero (OSA), Lynette Kennard (OSA), Max Marquez, Mallory Reviere, Victor Griego, Chien-chih Yeh, Kevin Enright. (Note: other attendees, including members of the public, were able to view through a link; therefore, it is impossible to know who viewed, and those attendees are not included in this list.)

Chair Brown called the meeting to order at 1:01 PM. He confirmed attendance of all three members of the committee; therefore, there is a quorum.

ACTION ITEM:

- The Committee approved the minutes from October 14, 2021.

By unanimous consent, the meeting went into Executive Session at 1:02 PM per the agenda.

a. Presentation of FY21 External Financial Audit pursuant to exceptions at Section 10-15-1H NMSA (1978) and Section 12-6-5 NMSA (1978) (*NM State Auditor's Office*, *Moss Adams, KPMG, and Elizabeth Metzger, University Controller*)

The meeting returned to open session at 1:46 PM with certification that only those matters described above were discussed in Executive Session.

ACTION ITEM:

- The Committee unanimously approved the UNM FY21 Annual Financial Statements Audit.

The meeting adjourned at 1:47 PM.

Approved:


_____
Audit and Compliance Committee Chair

# There is no handout required for this item

# There is no handout required for this item

**Internal Audit Director's Status Report**
**Audit and Compliance Committee Meeting**
**February 10, 2022**

## INFORMATION ITEMS

**Audit Committee Meeting Calendar.** This schedule will accommodate the entrance conference for the FY22 External Financial Statements Audit. The following are the future proposed dates for the remainder of 2022.

> May 5, 2022 (Entrance Conference for FY22 Financial Statements Audit)
> August 11, 2022
> October 20, 2022 (Exit Conference for FY22 Financial Statements Audit)

**Internal Audit Operations and Staffing.** The Internal Audit department is currently working on a hybrid office and telecommuting schedule through the end of the fiscal year, which is based on telecommuting guidance issued by Human Resources.

Internal Audit is in the interviewing stage for hiring one Internal Auditor position and plans to fill the position in the upcoming weeks with a planned start date March 1st. In addition, Internal Audit has hired one student intern to provide support for professional staff projects. The student intern is scheduled to begin February 7, 2022.

Internal Audit will have one vacant senior auditor position when the student intern and internal auditor positions are filled.

**Audit Plan Status.** The project status and hours report for the audit plan is at Tab #5. The status of the proposed audit plan for the period of July 1, 2021 through December 31, 2021 is:

| | |
|---|---|
| Completed | 3 |
| Committee Presentation | 1 |
| Planning/Fieldwork | 2 |
| **Subtotal** | **6** |
| | |
| Assigned | 2 |
| Unassigned | 5 |
| **Total** | **13** |

The Robotics review has been completed and will be presented in this meeting's closed session. This report is a component of the comprehensive Research and Public Service Project (RPSP) audit, which will be presented during the May meeting. The Children's Campus is also in fieldwork and is expected to be completed for presentation during the May meeting. An Information Security Remote Computing audit is in the planning phase.

**Internal Audit Director's Status Report**
**Audit and Compliance Committee Meeting**
**February 10, 2022**

**Complaint Status.** The status of complaints assigned to Internal Audit for FY2022, as of January 31, 2022, is:

| Completed/Closed | 6 |
|---|---|
| Planning/Fieldwork | 10 |
| Unassigned | 3 |
| **Total** | **19** |

Complaints assigned to Internal Audit for review are those of financial related matters (i.e., fraud, theft, misuse of funds, time abuse, etc.).

Internal Audit Director is currently assisting in administration of the EthicsPoint system.

**Department Financial Report.** At Tab #5 is the Internal Audit Department's operating ledger report for your review. The FY22 adjusted budget is $1,126,757 of which $977,757 is from the general pool and $149,000 is from the departmental reserve.

Budgeted expenses primarily consist of labor. Included in the FY22 budget is also a budgeted cost of $30,000 for a full migration of the TeamMate Internal Audit software from TeamMate AM to TeamMate Plus and $7,000 for training and professional development.

As of December 31, 2021, the department's expenditures are $447,220, and encumbrances are $395,744. Of the total expenditures, $431,665 (96.5%) is for labor costs. In addition, to the budgeted TeamMate Plus migration and training and professional development expenses, Internal Audit placed an order for six laptop computers and docking stations totaling $9,000. IA assessed current laptops inventory and determined six new computers were needed to meet IT security requirements.

Internal Audit completed its mid-year projections in January, and projects the department will not need to use its reserves to cover budgeted FY22 expenses due to salary savings from a senior auditor retirement in August 2021 and its vacant senior auditor position.

**Health System Internal Audit**
Clifton Larson Allen (CLA) has substantially completed two audits and has presented to Health System Audit and Compliance Committees the findings and recommendations for its Remote Computing Controls audit. CLA plans to finalize and present two audit reports at the May 5, 2022 A&C Committee meeting.

**External Audits and Reviews.** At Tab #5 is the summary information as of December 31, 2021 regarding the external audits and reviews (third party financial audits) of various grants, contracts, and programs by various grantor agencies. There are currently eight (8) reviews to report for this reporting period. Four (4) audits have been completed and four (4) are currently in process.

The University has completed audits of awards from the Health Resources & Services Administration (HRSA), The Patient Centered Outcomes Research Institute (PCORI), Los Alamos National Laboratories (LANL), and Department of Justice (DOJ). PCORI audited all award to UNM and had six observations and reported questioned costs of $6,228 related to membership dues and a miscalculation of F&A on a subaward agreement. The other three audits were primarily clean and did not have reported observations.

The University is wrapping up an audit with the National Science Foundation of all main campus NSF awards. UNM provided responses to questions from the NSF Audit Resolution Team on 11/29/21 related to potential questioned costs. After some follow up and request for more documentation, UNM provided all requested items on 12/21/21. Until the NSF Audit Resolution Team has a chance to review the responses, UNM is not required to return any potential questioned costs. The costs may be determined to be appropriate and to the benefit of the project.

Ongoing audits also include:

- Sandia National Labs – All SNL purchase orders between 7/1/18 to 6/30/21.
- Health Resources & Services Administration (HRSA) – South Central AIDS Education and Training Centers award within School of Medicine Internal Medicine department. Audit covers 7/1/19 to 6/30/21.
- The Leidos Philanthropy is currently conducting a review of all Leidos awards within the Cancer Center, covering a period of 4/15/2016 through 8/31/2021.

## Organization Level 5: '676A - Internal Audit Department'

| Account Description | Budget (FYTD) Adopted | Budget (FYTD) Adjustments | Budget (FYTD) Accumulated | Actuals Current Month | Actuals Pct | Actuals Fiscal YTD | Actuals Pct | Encumbrances | Balance Available | Balance Pct |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | | | | | | | | | | |
| 1640 - Allocations Pooled Allo! | $977,757.00 | $.00 | $977,757.00 | $.00 | .00% | $977,757.00 | 100.00% | $.00 | $.00 | .00% |
| 1900 - Reserves | $.00 | $.00 | $.00 | $.00 | .00% | $203,387.82 | .00% | $.00 | ($203,387.82) | .00% |
| 1901 - Budgeted Use of Rese! | $149,000.00 | $.00 | $149,000.00 | $.00 | .00% | $.00 | .00% | $.00 | $149,000.00 | 100.00% |
| **\*TOTAL Revenue** | | | | | | | | | | |
| | **$1,126,757.00** | **$.00** | **$1,126,757.00** | **$.00** | **.00%** | **$1,181,144.82** | **104.83%** | **$.00** | **($54,387.82)** | **(4.83%)** |
| **Expense** | | | | | | | | | | |
| 2020 - Administrative Professi! | $724,293.00 | $.00 | $724,293.00 | $47,387.24 | 6.54% | $297,094.30 | 41.02% | $359,607.24 | $67,591.46 | 9.33% |
| 2060 - Support Staff Salary D! | $49,328.00 | $.00 | $49,328.00 | $3,794.49 | 7.69% | $23,124.82 | 46.88% | $26,371.78 | ($168.60) | (.34%) |
| 20J0 - Student Salaries Gen | $12,500.00 | $.00 | $12,500.00 | $.00 | .00% | $.00 | .00% | $.00 | $12,500.00 | 100.00% |
| 2110 - Fica Gen | $50,063.00 | $.00 | $50,063.00 | $3,681.63 | 7.35% | $23,108.20 | 46.16% | $.00 | $26,954.80 | 53.84% |
| 2140 - Retirement Gen | $92,744.00 | $.00 | $92,744.00 | $7,242.23 | 7.81% | $45,311.04 | 48.86% | $.00 | $47,432.96 | 51.14% |
| 2160 - Group Insurance Gen | $82,444.00 | $.00 | $82,444.00 | $4,542.32 | 5.51% | $27,751.67 | 33.66% | $.00 | $54,692.33 | 66.34% |
| 2180 - Unemployment Comp! | $459.00 | $.00 | $459.00 | $46.07 | 10.04% | $288.23 | 62.80% | $.00 | $170.77 | 37.20% |
| 21A0 - Workers Compensatio! | $395.00 | $.00 | $395.00 | $57.05 | 14.44% | $288.40 | 73.01% | $.00 | $106.60 | 26.99% |
| 21J0 - Other Staff Benefits G! | $30,068.00 | $.00 | $30,068.00 | $2,349.24 | 7.81% | $14,698.57 | 48.88% | $.00 | $15,369.43 | 51.12% |
| 21L0 - Accrued Annual Leave! | $75.00 | $.00 | $75.00 | $.00 | .00% | $.00 | .00% | $.00 | $75.00 | 100.00% |
| 21L1 - Catastrophic Leave Ex! | $75.00 | $.00 | $75.00 | $.00 | .00% | $.00 | .00% | $.00 | $75.00 | 100.00% |
| 3100 - Office Supplies Gener! | $500.00 | $.00 | $500.00 | $.00 | .00% | $93.98 | 18.80% | $414.70 | ($8.68) | (1.74%) |
| 3110 - Books Periodicals Gen | $50.00 | $.00 | $50.00 | $.00 | .00% | $.00 | .00% | $.00 | $50.00 | 100.00% |
| 3140 - Computer Software G! | $150.00 | $.00 | $150.00 | $.00 | .00% | $.00 | .00% | $.00 | $150.00 | 100.00% |
| 3150 - Computer Supplies <$! | $793.00 | $.00 | $793.00 | $.00 | .00% | $.00 | .00% | $700.00 | $93.00 | 11.73% |
| 3170 - Custodial Supplies Gen | $500.00 | $.00 | $500.00 | $.00 | .00% | $35.85 | 7.17% | $.00 | $464.15 | 92.83% |
| 3180 - Non Capital Equipmen! | $.00 | $.00 | $.00 | $.00 | .00% | $299.99 | .00% | $.00 | ($299.99) | .00% |
| 3189 - Tagged Non-Capital E! | $2,000.00 | $.00 | $2,000.00 | $.00 | .00% | $.00 | .00% | $2,650.00 | ($650.00) | (32.50%) |
| 31A0 - Business Food - Local | $600.00 | $.00 | $600.00 | $.00 | .00% | $.00 | .00% | $.00 | $600.00 | 100.00% |
| 31C0 - Dues Memberships G! | $4,500.00 | $.00 | $4,500.00 | $130.00 | 2.89% | $890.00 | 19.78% | $.00 | $3,610.00 | 80.22% |
| 31J0 - Parking Permits Gen | $150.00 | $.00 | $150.00 | $.00 | .00% | $400.00 | 266.67% | $.00 | ($250.00) | (166.67%) |
| 31K0 - Postage Gen | $40.00 | $.00 | $40.00 | $.00 | .00% | $.00 | .00% | $.00 | $40.00 | 100.00% |
| 31P0 - Training Materials Sup! | $200.00 | $.00 | $200.00 | $.00 | .00% | $.00 | .00% | $.00 | $200.00 | 100.00% |
| 3800 - In State Travel Gen | $400.00 | $.00 | $400.00 | $.00 | .00% | $.00 | .00% | $.00 | $400.00 | 100.00% |
| 3805 - Instate Travel-Per Die! | $100.00 | $.00 | $100.00 | $.00 | .00% | $.00 | .00% | $.00 | $100.00 | 100.00% |

**Warning: These reports will show fiscal year activity. For inception to date activity for Grants please use the FRRGLDS - Grant Ledger Detail Summary report.**

**Organization Level 5: '676A - Internal Audit Department'**

| Account Description | Budget (FYTD) Adopted | Budget (FYTD) Adjustments | Budget (FYTD) Accumulated | Actuals Current Month | Actuals Pct | Actuals Fiscal YTD | Actuals Pct | Encumbrances | Balance Available | Balance Pct |
|---|---|---|---|---|---|---|---|---|---|---|
| 3825 - Out State Travel-Per D! | $1,000.00 | $.00 | $1,000.00 | $.00 | .00% | $.00 | .00% | $.00 | $1,000.00 | 100.00% |
| 3830 - Out State Trvl-Per Die! | $500.00 | $.00 | $500.00 | $.00 | .00% | $.00 | .00% | $.00 | $500.00 | 100.00% |
| 6000 - Telecom Charges Gen | $3,500.00 | $.00 | $3,500.00 | $292.50 | 8.36% | $1,755.00 | 50.14% | $.00 | $1,745.00 | 49.86% |
| 6020 - Long Distance Gen | $50.00 | $.00 | $50.00 | $.00 | .00% | $.00 | .00% | $.00 | $50.00 | 100.00% |
| 6060 - Voice Mail Box Gen | $600.00 | $.00 | $600.00 | $50.00 | 8.33% | $300.00 | 50.00% | $.00 | $300.00 | 50.00% |
| 6300 - Alarm System Gen | $200.00 | $.00 | $200.00 | $11.25 | 5.63% | $67.50 | 33.75% | $.00 | $132.50 | 66.25% |
| 6370 - Printing/Copying/Bindi! | $.00 | $.00 | $.00 | $26.97 | .00% | $26.97 | .00% | $.00 | ($26.97) | .00% |
| 63A0 - Conference Fees Gen | $4,000.00 | $.00 | $4,000.00 | $.00 | .00% | $600.00 | 15.00% | $.00 | $3,400.00 | 85.00% |
| 63A2 - Seminars/Training Fe! | $3,000.00 | $.00 | $3,000.00 | $45.00 | 1.50% | $3,079.00 | 102.63% | $.00 | ($79.00) | (2.63%) |
| 63C0 - Copying Gen | $100.00 | $.00 | $100.00 | $.00 | .00% | $.00 | .00% | $.00 | $100.00 | 100.00% |
| 69Z0 - Other Professional Ser! | $11,500.00 | $.00 | $11,500.00 | $699.92 | 6.09% | $4,227.85 | 36.76% | $6,000.00 | $1,272.15 | 11.06% |
| 7000 - Plant Repairs Mainten! | $200.00 | $.00 | $200.00 | $.00 | .00% | $487.83 | 243.91% | $.00 | ($287.83) | (143.92%) |
| 70E0 - Computer Hardware ! | $600.00 | $.00 | $600.00 | $.00 | .00% | $.00 | .00% | $.00 | $600.00 | 100.00% |
| 70E1 - Computer Software M! | $41,500.00 | $.00 | $41,500.00 | $.00 | .00% | $.00 | .00% | $.00 | $41,500.00 | 100.00% |
| 70F0 - Equipment Rent Expe! | $2,400.00 | $.00 | $2,400.00 | $152.08 | 6.34% | $934.62 | 38.94% | $.00 | $1,465.38 | 61.06% |
| 80K0 - Banner Tax | $660.00 | $.00 | $660.00 | $14.08 | 2.13% | $131.99 | 20.00% | $.00 | $528.01 | 80.00% |
| 80K2 - Foundation Surcharge | $4,520.00 | $.00 | $4,520.00 | $352.54 | 7.80% | $2,224.32 | 49.21% | $.00 | $2,295.68 | 50.79% |
| **\*TOTAL Expense** | | | | | | | | | | |
| | $1,126,757.00 | $.00 | $1,126,757.00 | $70,874.61 | 6.29% | $447,220.13 | 39.69% | $395,743.72 | $283,793.15 | 25.19% |
| Total Revenue: | $1,126,757.00 | $.00 | $1,126,757.00 | $.00 | .00% | $1,181,144.82 | 104.83% | $.00 | ($54,387.82) | (4.83%) |
| Total Expense: | $1,126,757.00 | $.00 | $1,126,757.00 | $70,874.61 | 6.29% | $447,220.13 | 39.69% | $395,743.72 | $283,793.15 | 25.19% |
| Net: | $.00 | $.00 | $.00 | ($70,874.61) | .00% | $733,924.69 | .00% | ($395,743.72) | $338,180.97 | .00% |

**Parameters:**
**Organization Level 5: '676A - Internal Audit Department'**

**Warning: These reports will show fiscal year activity. For inception to date activity for Grants please use the FRRGLDS - Grant Ledger Detail Summary report.**

# Budget to Actual Report
## July 1, 2021 through December 31, 2021

| Description | Status | FY 22 Budgeted Hours (*) | FY 22 Actual Hours | Variance |
|---|---|---:|---:|---:|
| **Audit Plan** | | | | |
| **Prior Year** | | | | |
| Capital Projects | Completed - Follow up | 64 | 64 | 0 |
| Audit of Facilities and Maintenance Division | Completed - Follow up | 60 | 55 | 5 |
| President's Travel and Entertainment FY21 | Completed | 200 | 142 | 58 |
| Children's Campus | Fieldwork | 700 | 306 | 394 |
| Information Security Remote Computing | Planning | 400 | | 400 |
| | | | | |
| RPSP (Main Campus and HSC) | A&C Committee Update | 500 | 147 | 353 |
| Anderson School of Management | Assigned | 500 | | 500 |
| Office of Medical Investigator (OMI) | Assigned | 200 | | 200 |
| Enrollment Management | Unassigned | 200 | | 200 |
| UNM Valencia | Unassigned | | | |
| | | | | |
| **FY 2022** | | | | |
| Project Echo | Unassigned | 300 | | 300 |
| Internal Medicine | Unassigned | | | |
| President's Travel and Entertainment FY22 | Unassigned | | | |
| | | | | |
| **Audit Plan Subtotal** | | 3,124 | 714 | 2,410 |
| | | | | |
| Misconduct and Fraud | | 3,520 | 1,805 | 1,715 |
| Audit Recommendations Follow-up | | 350 | 136 | 214 |
| | | | | |
| Management Requests | | 300 | 13 | 287 |
| **Non Audit Plan Subtotal** | | 4,170 | 1,954 | 2,216 |
| **Total Project Hours** | | 7,294 | 2,668 | 4,626 |
| | | | | |
| **Leave and Administrative** | | | | |
| Holiday | | 784 | 560 | 224 |
| Annual | | 1,176 | 520 | 656 |
| Sick | | 672 | 329 | 343 |
| CPE/Training | | 400 | 398 | 2 |
| Administrative Time/Management | | 3,500 | 1,561 | 1,939 |
| Administrative Staff Time | | 640 | 337 | 303 |
| Audit and Compliance Committee, Meetings | | 550 | 244 | 306 |
| IT Support/TeamMate | | 144 | 49 | 95 |
| **Total Leave and Administrative Hours** | | 7,866 | 3,998 | 3,868 |
| | | | | |
| **FY22 Total Hours** | | 15,160 | 6,666 | 8,494 |

\* Including 600 hours of student intern

| Granting Agency/Entity | National Science Foundation (NSF) | HRSA | PCORI | HRSA | Leidos | LANL | UNMH (FY 21) CMS (Patient Billings) - RAC Requests as of 9/30/20 | SRMC (FY 21) CMS (Patient Billings) - RAC Requests as of 9/30/20 |
|---|---|---|---|---|---|---|---|---|
| Contract/Grant/Program Title | All NSF Awards | South Central AIDS Education and Training Centers | All Active PCORI Awards | Ryan White Part C - Various | All Leidos Awards | 3RS53 | Medicare | Medicare |
| Contract/Grant Period | Various; Audit covers 3/1/20-9/30/20 | Audit covers 7/1/19 - 6/30/21 | Various; Audit covers 3/1/20-1/31/21 | Various; Audit covers 4/1/15-3/31/21 | Various; Audit covers 4/1/16-8/31/20 | Audit covers 3/20/14 - 9/30/17 | Various | Various |
| Contract/Grant Total Amount | Various | Various | Various | Various | Various | Various | N/A | N/A |
| Contract/Grant Amount - Current FY | | | | | | | N/A | N/A |
| Principal Investigator | Various | Iandiorio | Various | Iandiorio | Various | Perkins | N/A | N/A |
| Department | Various | Truman/Internal Med | Various | Truman/Internal Med | Cancer Center | Internal Med | Hospital RAC Audits | Hospital RAC Audits |
| Agency Audit/Review Notification Date | 10/1/2020 | | 3/10/2021 | | 1/27/2021 | 2/25/2021 | Various | Various |
| Audit/Review Entrance/Visit Date(s) | Entrance Conference - 10/15/2020 | Entrance Conference - 8/3/2021 | Entrance Conference - 3/31/2021 | Entrance Conference - 3/22/2021 | Entrance Conference - 2/19/2021 | Via email | Remote | Remote |
| Audit/Exit/Final Report Issued | Discussion Draft Report Conference - 4/5/2021 | | | | | | Continuous | Continuous |
| Questioned Cost, if any | $20,965 | | | | | | N/A | N/A |
| Audit/Review Major Finding, if any | 1. Unreasonable Travel Expenses ($17,269 in QCs) 2. Unallowable Expenses ($3,696 in QCs) 3. Incorrect Application of Indirect Cost Rates (No QCs) | | | | | | See Comments | See Comments |
| Corrective Action Plan, if any | Currently working w/NSF Audit Resolution Team. Based on initial meeting, they are backlogged and it will be a while before they have a chance to review UNM's NSF-OIG audit. Until they have a chance to review, we are not to return any of the questioned costs, as they may determine these costs to be appropriate and to the benefit of the project. | | | | | | In Process | In Process |
| Planned Implementation Date | TBD | | | | | | N/A | N/A |
| Campus | Main | HSC | HSC | HSC | HSC | HSC | Hospital RAC Audits | Hospital RAC Audits |
| Auditor if Different than Grantor | Cotton & Company (C&C) | HRSA | Cotton & Company (C&C) | HRSA | Leidos | LANL | Cotiviti | Cotiviti |
| Comments | 40 transactions were sampled and tested. A final report was issued by NSF-OIG on May 13, 2021. We are now working with the NSF Audit Resolution Team to review the findings and corrective action needed (if any). Based on initial meeting, they are backlogged and it will be a while before they have a chance to review UNM's NSF-OIG audit. Until they have a chance to review, we are not to return any of the questioned costs, as they may determine these costs to be appropriate and to the benefit of the project. | Provider requested previsit documents, generated previsit requests, pending virtual site visit | Provided requested ledgers for sample selection, pending request for transaction to review. | Provided requested pre-visit documents, waiting for on virtual on-site visit scheduled for May 11th and 12th. | Provided requested ledgers for sample selection, pending request for transaction to review. | Provided requested information, awaiting exit information. | Q4FY 2021 (ending 6/30/21): 15 new requests for records, representing $1,104,395.28 in charges, and $417,440.24 in reimbursement were received between 4/1/21 and 6/30/21. None of the 15 have yet been reviewed by the RAC.  FY 2021 year-end update: 117 requests for records were received during the fiscal year, representing $3,041,077.35 in charges and $1,351,319.29 in reimbursement.  As of 6/30/21, 88 claims representing $833,755.62 in reimbursement have been completed.  Medicare took back a total of $81,652.64 on 19 claims (19/88 = 21.6% overpayment rate).  Medicare made additional payments totaling $6,940.74 on six claims (6/88 = 6.8% underpayment rate). 29 claims representing $517,563.67 in reimbursement remain open.  The net takeback to date among the FY21 claims is $74,711.90. | Q4FY 2021 (ending 6/30/21): Two new requests for records were received between 4/1/21 and 6/30/21, representing $96,228.90 in charges and $39,705.79 in reimbursement. Both cases were reviewed by the RAC in Q4 with no change in reimbursement.  FY 2021 year-end update:  20 requests received, representing $608,471.62 in charges and $182,008.80 in reimbursement. As of 6/30/21, all 20 cases have been reviewed/adjudicated by the RAC, and a total of $18,382.19 has been taken back by the RAC.  The $18,382.19 taken back was on **four cases (4/20 = 20% of cases had money taken back).**  The RAC had no findings on the remaining 16 of 20 claims reviewed (16/20 = 80% of claims reviewed had no findings). |

**February 2022 Update**
**Regents Audit and Compliance**

# EthicsPoint Update

- CEEO is working with EthicsPoint to streamline CEEO data collection and entry for various report types

- EthicsPoint updates for the whole University include:
  - Mobile Reporting: unmmobile.ethicspoint.com
  - Streamlining of issue types on the main UNM EthicsPoint website
  - Adding Banner to populate fields automatically
  - Training in February for UNM EthicsPoint stakeholders to ensure consistent practices and terms across the enterprise

# Clery Coordinator

- Departure of Matt Suazo

- Hire of Adrienne Helms – Crime Prevention Specialist

  - Worked for law enforcement, counties and schools creating data driven crime prevention programs utilizing traditional law enforcement tools and alternative programs including urban design, landscaping, bystander intervention etc.

  - Provided dynamic trainings to communities, police and government agencies

  - Created and reviewed crime policies and procedures

  - Worked in other compliance areas including accessibility

# Annual Safety and Security Report

- Revamp of the Annual Security Report to include table of contents, reduction of repetitiveness and executive summary

- In this revamp process discovery of over reporting of burglaries

- Republication soon

- Revamp of CSA reporting tool in conjunction with UNM-PD and IT

# UNM Title IX Summer Training Institute

- New Mexico Title IX practitioners (K-12 and Higher Ed)

- Early August

- Tentative topics include: Safe Zone, NCAA transgender athletics policy, advisor training, and more

- Acquired trainer on Cyber Sexual Abuse
  - Anthony Maez

# CARE/TAT for Staff, Faculty, and Visitors
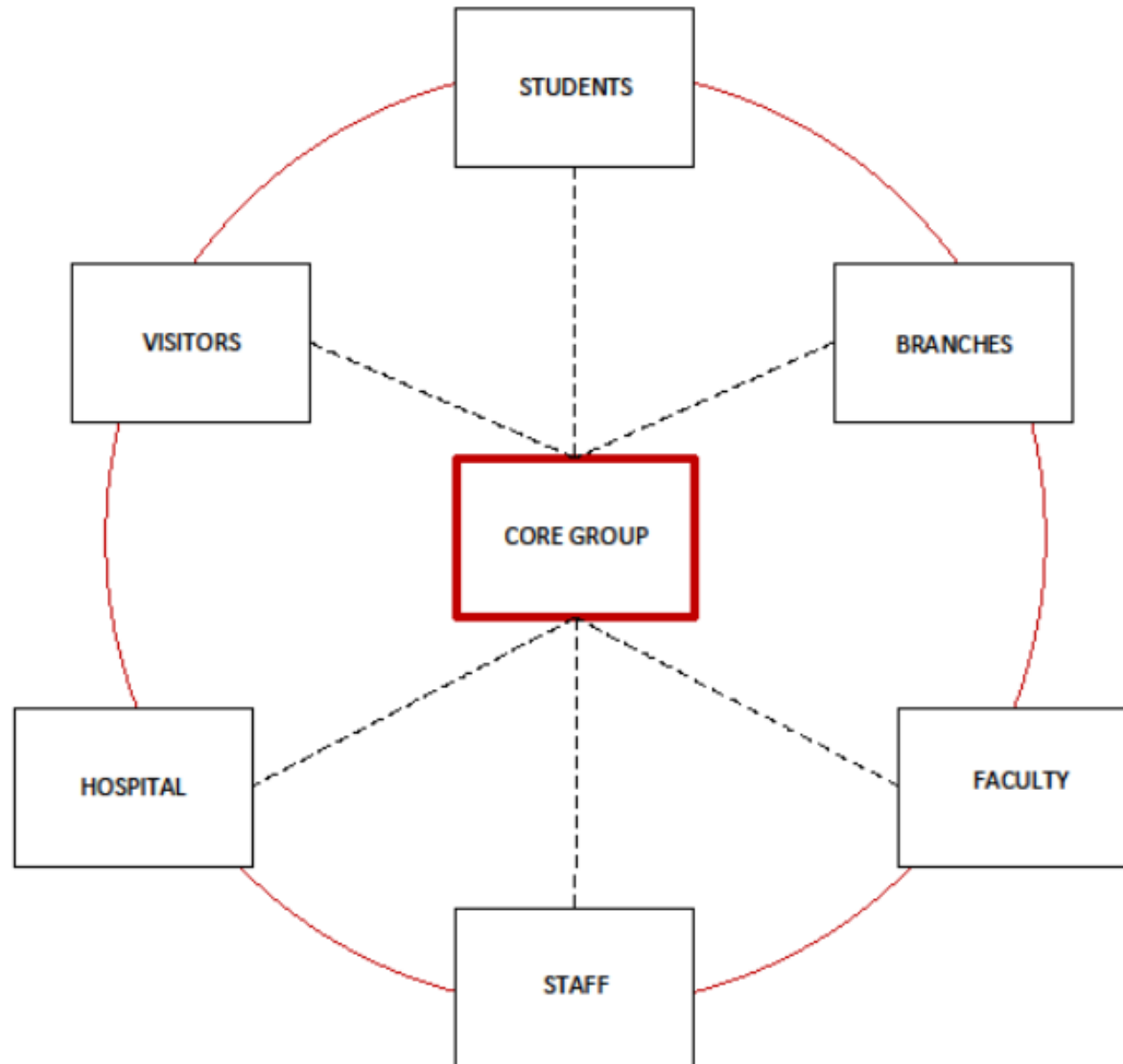
- Campus Assessment Response Education and Threat Assessment model exists for students and is successful

- Mirroring existing models to create an Enterprise-wide system

# Thank You

Francie Cordova, Chief Compliance Officer

# HSC Institutional Compliance Program Status Report

## THURSDAY, FEBRUARY 10, 2022
UNM BOARD OF REGENTS' AUDIT & COMPLIANCE COMMITTEE MEETING

PRESENTED BY:
ARTHUR L. CULPEPPER, PH.D., FACHE, CCP
HSC CHIEF COMPLIANCE OFFICER

# ICP Status Report

- **Work Plan Activity**
  - 2021-2022 ICP Work Plan is currently in progress.
  - ICP staff have started field work; work plan will be completed by June 2022.

- **Education/Training Activity**
  - Completed Annual Revision of Compliance Education Module (CEM) in Learning Central.
  - Spanish translation revision of CEM was also completed.

- **Exclusion Monthly Checks/Screening Activity**
  - Year to Date, two (2) employee false positives were found through verification database.
  - False positives were tested resulting in no findings.

# ICP Status Report

- **Compliance Reviews**
  - **No major compliance reviews were conducted in Q1 or Q2.**
  - **General compliance review conducted on HSC Institutional Review Board (IRB).**
    - Reviewed 2019 and 2020 Human Research Review Committees (HRRC) meeting minutes and research protocol study documents.
    - Conducted personnel interviews with randomly selected Human Research Protections Program (HRPP) coordination personnel, HRRC Chairpersons, and Office of Research Compliance personnel.
    - Minor administrative findings and no evidence of obvious negligence or intentional non-compliance.
    - Final assessment results indicate a compliance rate of 95.24 percent.
  - **Upcoming Compliance Reviews:**
    - Q3: Sponsored Projects Office Pre-Award Process
    - Q4: UNM Comprehensive Cancer Center Clinical Trials Billing

# HSC ICP Staff and Contact Information

- **Staff**
  - **Arthur L. Culpepper**, Ph.D., FACHE, CCP
    HSC Chief Compliance Officer
    ACulpepper@salud.unm.edu

  - **Brie Delvin**, MS, MHA, CCP
    HSC Compliance Manager
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  - **April Coonsis**, PACE
    Administrative Assistant II
    AnCoonsis@salud.unm.edu

- **Office Location & Contact Information**
  - **HSC Business & Communications Center**
    1650 University Boulevard, NE
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    (505) 272-7371
    HSC-Compliance@salud.unm.edu

# Questions/Discussion

*Thank You!*

# Follow Up Report - Implemented
## February 10, 2022  Open Session

| No | Project Name | Report Approval Date, # of Recommenda-tions, Risk (H/M/L) | Recommendation Title | Executive Recommendation | Management Response | Estimated Implementation Date | Recommendation Action | Responsible Party |
|---|---|---|---|---|---|---|---|---|
| 1 | Lobo Club | 8/13/2020, 5, M | Recommendation 1 - Improve Processes around Pit Suites | Lobo Club Executive Director should enforce established controls around Pit suite sales and collections to ensure that all suite holders have current contracts in place prior to the start of the basketball season. | The Director of Premium Seating will provide copies of all fully executed contracts to the Finance Manager, which will be reviewed by the Finance Manager and Executive Director before distribution of tickets and parking to suite holders. Originals will be kept by the Finance Manager and copies will kept by Director of Premium Seating. | 11/1/2021 | Lobo Club has developed and implemented a reasonable process for engaging suiteholders and tracking payment status. In instances in which payments were not made by the due date, Lobo Club followed established procedures and made management decisions that did not create outsized risk to the organization. | Jalen Ivan Dominguez, Executive Director, Lobo Club |
| 2 | Office of Capital Projects | 8/5/2021, 5, M | Recommendation 2 - Vendor Selection | Purchasing should ensure that PDC adequately supports the vendor selected when utilizing a Job-Order Contracting (JOC) vendor who does not have the lowest adjustment factor in the trade group. | Purchasing and PDC agree with the finding. Purchasing worked with PDC to improve the existing justification form to obtain better justification from PM/CMs when awards are not given to the lowest bidder on JOC projects. | 10/31/2021 | PDC and Purchasing have developed and fully implemented a process whereby JOC selection justification is captured as part of the procurement record. | Bruce Cherrin,Chief Procurement Officer |
| 3 | Audit of Facilities and Management Division | 10/14/2021, 2, M | Recommendation 1 - Itemized Receipts | FM should enforce established procedures to ensure itemized receipts are always obtained and submitted in order to provide verification that purchases made through the A/P process are allowable and properly supported. | FM is consistently seeking to be in compliance and transparent in all our transactions. The Director has determined that SOPs will be developed and deployed in order for staff to be fully informed of the importance of meeting expectations. | 9/1/2021 | Internal Audit performed follow-up test work for FM purchases and noted itemized receipts were obtained for all transactions tested. | Alfred Sena,Dir,Facilities Management |

| No | Project Name | Report Approval Date, # of Recommenda-tions, Risk (H/M/L) | Recommendation Title | Executive Recommendation | Management Response | Estimated Implementation Date | Last Status Update | Responsible Party |
|---|---|---|---|---|---|---|---|---|
| 1 | Reserves | 5/23/2019, 7, M | Recommendation 3 - Deficit Reduction Plans (Provost's Office Director of Financial Operations) | The Provost's Office Director of Financial Operations should ensure FY 2018 deficits for Enrollment Management are eliminated prior to the close of FY 2019, and monitor and enforce current deficit reduction plans to ensure existing departments' deficits are reduced and eliminated according to plans. | If it is determined that a deficit reduction plan is needed, units will work with the Provost's Office to establish a reasonable reduction plan within UAP 7000 policy limitations. At this time, all deficit reduction plans are monitored and documented by the Provost's Office. Enrollment management did not have a documented deficit reduction plan because the FY18 deficit was to be eliminated by the end of FY19. Enrollment Management has verified that the accumulated deficit will be eliminated by the end of FY19. The Provost's Office fiscal team will verify that the deficit has been eliminated at the end of the fiscal year and will send the corresponding report to Internal Audit to document that no further action is needed. | 6/30/2020 | The deficit for student publications has increased from (229,575) at 6/30/21 to (242,782) at 12/31/21. IA has determined that a deficit reduction plan should be developed for student publications. Internal Audit will continue to monitor this department until a deficit reduction plan is established. Student Publications is the final department IA is monitoring that stems from the Reserves audit report 2019-03. | Nicole Christine Dopson, Financial Officer Optg Grp |
| 2 | Los Alamos Branch Campus | 5/7/2020, 6, M | Recommendation 6 - General Information Technology Security | NM-LA IT department should strengthen its IT security by executing the following: Developing a written information security program, communicating the program's policies and procedures with employees, and monitoring its implementation periodically. | We agree with the auditor's comments and recommendation. The following action will be taken to improve our processes with IT security. UNM-LA IT, with assistance from UNM IT, will review UNM policies with regard to: (1) computer accounts and user identification, (2) access control, (3) acceptable computer use, (4) computer security awareness, and (5) tracking software maintenance and licenses and other recommendations listed. A written program of these policies, and the procedures related to them, will be compiled and communicated to employees during new hire orientation, annually as part of our annual policy awareness process, and through the Operating Procedures manual. | 5/31/2022 | Partially completed – Los Alamos management indicates that it has completed several recommendation components and is in the process of implementing the remaining action items. An extension of the targeted implementation date to the end of May 2022 was requested and approved. | Cynthia Rooney, Chief Exec Officer CEO/Branch; Bob  Harmon, Dir,Business Opns/Sm Branch: Los Alamos Branch |

| No | Project Name | Report Approval Date, # of Recommenda-tions, Risk (H/M/L) | Recommendation Title | Executive Recommendation | Management Response | Estimated Implementation Date | Last Status Update | Responsible Party |
|----|--------------|----------------------------------------------------------|----------------------|--------------------------|---------------------|-------------------------------|--------------------|-------------------|
| 3 | Audit of UNM Bookstore Operations | 5/6/2021, 7, M | Recommendation 7 - PCI Compliance | The UNM Financial Services Division and the UNM CIO's office should work with all units that process credit cards, and related business units, to develop and approve written processes assigning roles and responsibilities to: clearly outline and define roles and responsibilities of its service providers and UNM units involved; identify PCI compliance requirements; ensure that management oversight of PCI activities is assigned; maintain local copies of complete responses, and the generated SAQs and AoCs with internal supporting documentation and names and titles of responders; and, formally review the responses to the compliance questions, etc. | Management agrees with the recommendations. In March 2021, the UNM Controller and CIO formed a task force to review and document roles and responsibilities within appropriate offices, and UNM's authorized credit card processors as they relate to the oversight of UNM's authorized credit card processors. An oversight committee and approach will be established through the task force. Activity of the oversight committee will include an internal review of the responses to UNM authorized credit card processor's compliance questions. The documentation and plans are expected to be complete by 10/01/2021, and will be presented to UNM executive leadership, with any necessary funding considerations, for adoption. | 10/1/2021 | Management has worked with multiple units and completed a document covering several PCI roles and responsibilities, and is in the process of formally finalizing it and implementing the remaining action items. | Duane Arruti, UNM CIO; Norma Allen, University Controller; Jeff Gassaway, Info Security Ofcr |
| 4 | Audit of Facilities and Management Division | 10/14/2021, 2, M | Recommendation 2 - Audit Findings from Hotline Investigations | FM should strengthen internal controls to: complete a thorough review of construction projects to ensure that outside contractors and vendors are fulfilling their responsibility prior to making final payment; and, to ensure required permits are obtained prior to the commencement of construction projects. | FM has established an expectation that projects are fulfilled as expected by the vendor/contractor performing work. Work shall not commence until vendor/contractor or trades personnel can verify that permits have been obtained. Final payment to vendor/contactors will be withheld until verification of work is completed and inspected. A checklist will be developed as part of project closing procedures. | 4/30/2022 | Internal Audit is currently reviewing open EthicsPoint cases surrounding allegation of final payment made prior to completion of an FM project and failure to obtain necessary permits for an FM project. | Alfred Sena,Dir,Facilities Management |

# EXECUTIVE SESSION