# BOARD of REGENTS

THE UNIVERSITY OF
**NEW MEXICO**®

# AUDIT AND COMPLIANCE COMMITTEE VIRTUAL MEETING

*Thursday, February 9, 2023 9:00 am*

The University of New Mexico
Board of Regents' Audit and Compliance Committee
*February 9, 2023*
*Virtual Meeting*
**Agenda**

**ACTION ITEMS**

1. Confirmation of a Quorum and Adoption of Agenda

2. Approval of Meeting Minutes from October 21, 2022

3. Audit and Compliance Committee remaining proposed meeting dates for calendar year 2023. The Committee will meet virtually until further notice.

> May 4, 2023 (Entrance Conference for FY23 Financial Statements Audit)
> August 10, 2023
> October 19, 2023 (Exit Conference for FY23 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 *(Francie Cordova, Chief Compliance Officer)*

7. Health Sciences Center Chief Compliance Officer Status Report *(Angela Vigil, Executive Director, Compliance, HSC/UNMH)*

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. Certain purchases.
   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 Meeting |
| October 21, 2022 – Draft Meeting Minutes |

Members Present: Douglas Brown, Chair, Bill Payne, Vice Chair, Robert Schwartz (quorum).

Other Attendees: Garnett Stokes, Norma Allen, Terry Babbitt, Teresa Costantinidis, Bonnie White, James Holloway, Loretta Martinez, Ari Vazquez, Christine Landavazo, Jeff Gassaway, Brian Pietrewicz, Lawrence Alderete, Angela Vigil, Francie Cordova, Adrienne Helms, Susan Rhymer, Mike Schwantes, Jared Udall, Kate Becker, Darlene Fernandez, Lisa Todd (Moss Adams), Sujan Bhandari (Moss Adams), John Kennedy (KPMG), Ajay Gupta (CLA), Dave Strzyzewski (CLA), Javier Young (CLA), Randy Romes (CLA), Mallory Reviere, Victor Griego, Chien-chih Yeh, Lisa Wauneka, Kevin Enright, Amy O'Donnell. (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 9:02 AM. He confirmed attendance of all three members of the Committee; therefore, there is a quorum.

ACTION ITEMS:

- The Committee approved the agenda.

- The Committee approved the minutes from August 11, 2022.

- The Committee approved the upcoming 2023 dates: February 9, May 4, August 10, and October 19.

INFORMATION ITEMS:

- Advisors' comments: None.

- Mr. Griego, Internal Audit Director presented his Director's Report. Mr. Griego stated that it looks like the four 2023 dates that are proposed work for everybody. They accommodate both the entrance conference, and the exit conference for the FY2023 financial statement audit. He provided a high-level overview on the internal audit operation right now. Not much has really changed from the last meeting. The department is still operating with one vacant position. Chien-chih Yeh, Audit Manager will be presenting the department's annual report in closed session.

  Thus far in FY23, the department has completed one audit. There is one for closed session presentation today; the audit for the annual President's travel and entertainment, which is a contracted audit. There are two audits in fieldwork, Project Echo and the UNM Valencia branch campus. The department hopes to present those in the February meeting. Also initiated on the plan is the FY23 university-wide risk assessment. Mr. Griego stated he will go into little more detail on that later in the report. He will also be proposing the three-year audit plan. The department is in planning procedures for an information security audit.

  Department staff are currently going through training for a full migration of the audit software from Teammate AM to TeamMate Plus. It's a complete, revamped layout and functionality of the software system. It has been a lot of training, and it is a significant upgrade - more than what the department expected. The plan is for a full migration in November. The hope is the new migration and the new upgraded version will increase efficiency.

  Mr. Griego reviewed the status of complaints for FY23. There are 15 that are in fieldwork that internal audit has received. Four are completed, and 11 are in fieldwork. He will give a status update in closed session on two of those that were presented at the last audit committee meeting. Currently, he is still serving as an administrator for the EthicsPoint system with Francie Cordova, Chief Compliance Officer. She will give more detail on the EthicsPoint cases in her presentation.

  Mr. Griego provided a status update on the FY23 University-wide risk assessment. The team is in the process of completing planning procedures. The risk assessment team consists of Mr. Griego, the main campus Chief Compliance Office, and HSC compliance office. They are currently working on finalizing and

launching the risk assessment survey, which pretty much addresses all operational compliance, financial, and IT risks that face the University. This is a key component to the University-wide risk assessment. It looks like they are on track, and the plan is to distribute the survey after getting back from winter. IT support is assisting with the administration and distribution of the survey using Opinio and extracting the data for the team. Once they receive that data, Internal Audit and the compliance offices will conduct their own methodology for developing the work plan. Upon completion, the plan will be presented to this Committee for approval.

The FY22 external financial audit has been completed and the exit conference will be presented in this meeting's closed session for the Committee's approval. This is the last year of the second three-year contract. UNM will have to go out for RFP at the completion of this audit in early November.

CliftonLarsonAllen has completed one Health System audit during this cycle, which will also be presented in closed session.

The Office of the State Auditor has completed their special audit of Research for Public Service Projects (RPSP). They had the exit conference on October 14th and are finalizing management responses. It is pending one potential finding and recommendation which will either be resolved or revised. And shortly after that, once the management responses are finalized, they should finalize the report for distribution.

Mr. Griego provided an update on the external audits and reviews. For the current cycle, there are three audits to report. One is ongoing, and two have been completed. Sandia National Labs has completed an audit of main campus and HSC purchase orders. This covered awards for FY20 and FY21. The final report was received on September 28th of this year. They have submitted five findings and recommendations. UNM is currently in the process of implementing the corrective action. The City of Albuquerque is conducting an audit of various grants within the Family Community Medicine department. For this audit, the City of Albuquerque issued one finding and recommendation. UNM is awaiting final exit for this audit to be closed. The final external review was conducted by the Health Resources and Services Administration, which is the Ryan White 340B drug pricing program awarded to the Internal Medicine department. The audit scope covers FY22, and UNM is just waiting for the exit information to close out this this audit as well. Chair Brown asked if the Ryan White pharmacy one is associated with the Truman Clinic. Mr. Griego replied yes.

- Francie Cordova, Chief Compliance Officer, presented the Main Campus Chief Compliance Office status report. First is the activity report for EthicsPoint hotline cases. EthicsPoint is the system by which faculty, staff, students, and actually anybody in the public can submit complaints about virtually any issue in the entire enterprise, including: main campus, Health Sciences Center, all the hospitals, the Medical Group, and the branch campuses. This current system has been in place since 2015. There was case number one in 2015, and at the end of the fiscal year, there were close to 7,000 complaints in the system as of June 30, 2022.

  Last fiscal year they received 1,124 cases in EthicsPoint. The COVID year had a little bit of a drop. Ms. Cordova and Mr. Griego oversee the system to make sure they triage all the complaints that come into the various areas to be resolved, researched, and investigated if need be. Of course, it's a best practice to compare the data to other universities and private companies that also use EthicsPoint hotlines to show how the University fares in the world out there. Ms. Cordova presented the status of cases in the hotline, and this includes civil rights complaints filed with her office in CEEO. They always try to improve in terms of how fast they are addressing cases, and they are getting better. There are always outliers, specifically in those areas where there are federal laws that dictate how long they have to do certain things, and there are due process concerns, but they are still doing better. The data is showing 43 days was the average time to address complaints.

  For UNM, the top ten issues for the last fiscal year that include civil rights (gender, sexual harassment, race, age, religion, all the things that come in in that area, and also sexual misconduct and stalking and domestic

violence), are nationally trending the same as other universities and even private companies. Sexual harassment is the main complaint filed. And that's consistent across the nation. In UNM's types of cases, civil rights make up the top five. HR-type concerns are the remainder of the top ten. Things like uncivil behavior, essentially bullying, and that sort of thing. For the top ten not including civil rights, HR-type concerns remain the type of cases at the top. And then things like academic affairs and medical patient care round out the top ten.

Anonymous reporting can say that people are afraid to give their names or they might fear whistleblower type concerns. Or it might be that they are filing things and they just don't want to participate; just sort of lodging a complaint and then not doing anything about it. These numbers are pretty low, and they actually are lower than our national competitors. Primarily because in the civil rights world, you must follow that complaint through. There is now a live hearing process that people must go through. So obviously, you are not anonymous. In the last fiscal year, about 15.7% of the cases were filed anonymously, including civil rights cases. If you take civil rights cases out, about half the cases that are filed in UNM's system, that are not civil rights-related, are filed anonymously. That is something that we might want to look at. It might mean that people don't want to follow the case through, or they are afraid to give their name. Regent Schwartz asked if they treat the anonymous cases the way they treat other reporting in the civil rights world. Ms. Cordova responded no, because people have to participate. Anonymous reporting it makes it difficult just across the board, even for an HR complaint or a research complaint or a financial complaint. Sometimes you're able to use other documentation to substantiate a complaint. But typically, if somebody's filing anonymously, it makes it harder to investigate something, especially if it's vague. The EthicsPoint system allows for communication with anonymous reporters. Sometimes they will ask follow-up questions because it's vague. And many times, they never respond again, so they will file the complaint and then not go back into the system and look. Therefore, they're typically not treated the same way. Not because her office does not care about the complaint, but because there's not enough detail or someone does not follow up.

Ms. Cordova detailed the caseload within CEEO with for civil rights complaints over the last few fiscal years. This last fiscal year, there were 835 complaints that came into her area. During the COVID shutdown and the partial COVID shutdown, that dropped a bit. If you look at 2018-2019, it was consistent with this last year at about 800 plus cases. About 247 people chose to do something more formal with their case. They chose either to go all the way through to the live hearing, or to have CEEO do some sort of informal resolution with the person that they thought was discriminating against them. And they did a lot of referrals to resources such as SHAC or CARS. That was the vast majority, and they liked that outcome. Hopefully people are getting the resources that they need.

By topic type, sexual harassment is the big number, and that is consistent nationally. One of the new topics is medical condition and disability. Ms. Cordova thinks it has to do with COVID and people feeling there was discrimination about their medical condition, or failure to accommodate. That is a new top allegation type within CEEO, and they will be watching that as hopefully COVID is subsiding.

Students are the highest named respondents in civil rights cases at 25-percent. That has typically been the case over the years, although faculty and staff were the most named groups in prior years as well. But it's typically students that are alleged to be violating other people's civil rights. These are the Title IX trends. Title IX is, of course, any sort of gender discrimination and includes sexual harassment, sexual misconduct, stalking, and domestic violence. The total Title IX cases last fiscal year were 495. That is more than half of the 800 plus cases that came into their office. During COVID that dropped significantly. The Title IX cases that were filed primarily were: sexual harassment including sexual misconduct as the highest; gender and sex discrimination; Title IX retaliation; and then, gender identity, pregnancy, and sexual orientation. These areas are where CEEO makes sure they are getting whatever resources they need - whether that's someone who they can talk to confidentially, or counseling, or some sort of class adjustment, that kind of thing.

Regent Schwartz stated it was interesting to see the information graphically presented. Ms. Cordova noted UNM has a good deal of reporting for a few reasons. One is that everybody on campus is a mandatory reporter. They have done a whole lot of advertising and outreach, especially since the DOJ days. People know how to report, which is great because primarily the hope is that they are going to get resources. And then of course, if they want to file a complaint and go through the process, that is also very important as well. Regent Schwartz stated he was surprised to see there were 69 religion complaints. Ms. Cordova stated it did go up, and she thinks that was also partially related to COVID. They did get some complaints during the vaccine time about religious discrimination, so it's good to trend across years. If it is COVID that is driving those up, next year they should drop. Assuming COVID stays static.

Chair Brown noted there have been some celebrated cases of just tremendous damage done to some wonderful universities such as SC, Michigan, and Michigan State, aggravated by cover-up behaviors. UNM does not seem to have incidents of people trying to submerge problems that could then blow up on us later. Ms. Cordova responded that is one of the things they wanted to make sure UNM is addressing. When people do not report, they send reminder letters about their responsibility to report. People do not have to participate in the process, but they want to make sure they are getting resources. If a staff member or a manager, etc., does not report something that it is determined they knew about, that is going to be its own individual investigation. They will open a failure to report case on that. They have not seen a lot of those. And most of the time it is because people think somebody else reported it. Just because somebody else reported, this doesn't mean you don't have to, because you may have a different piece of the puzzle.

Regent Payne asked Ms. Cordova if, looking at the aggregate statistics, do they drill down? Are there some programs, departments or areas of the university at much higher rates? Or is this sort of evenly distributed across the whole campus and it's just an average of everyone? Are there some things we should be looking at a little closer on the reporting? Ms. Cordova replied that this data allows them to see trends in a variety of different ways. They can run the data by the affiliation, by faculty, by department. There are times when they see hot-spots and will meet with the leadership in those areas. Their office does climate reviews of these areas and submits that information up to the appropriate EVP or the Provost's office. If something is not addressed after a while, a complainant could feel it's because they are a female or because they are a minority. They really want people to know so they can nip it in the bud before it gets to be perceived status of someone's civil rights.

Adrienne Helms, Clery Coordinator presented a report on the Clery Act. She provided an update on this year's statistics from the Annual Security and Fire Safety Report. The Jeanne Clery Act is a Consumer Protection Act law that came about and evolved following the tragic death of Jeanne Clery in 1986. It helps current and prospective students, faculty, and staff make informed decisions about whether they want to study, live, or work at UNM. It spurs the development and implementation of safety and security programs and holds UNM accountable to them. And it aids in the prevention of crimes and maintaining safety overall. How does it do that? This federal law requires all public and private colleges that receive federal funding to count, classify, and publish crime statistics every year in the Annual Security and Fire Safety report. The report came out on September 30th of this year. UNM is required to: support victims of violence following certain protocols; publicly outline UNM's policies and procedures with regard to security and campus safety; and issue timely warnings and emergency notifications to our campus community when something serious occurs or there is an imminent threat to students or employees. Because UNM has its own law enforcement agency, as well as student housing, UNM is required to maintain a daily crime log and a fire log. UNM must facilitate primary prevention programs, especially regarding sexual assault and those types of crimes. Schools that do not comply are susceptible to certain sanctions with the Department of Education (DOE). One of them being fines of up to $62,000 for misclassification of statistics themselves. When you see schools being fined, oftentimes it is because they have misclassified many of their numbers, whether they conceal them or not. It could come down to just administrative incompetence. Following an audit by the DOE, they issue their final determination report and that is held in public record that anyone can see. This might lead to damage to a school's reputation, on-site monitoring by

the DOE, loss of funding, and potential litigation. These audits can be initiated at any time following a complaint or even something in the media that catches their attention. Schools like Berkeley, Michigan State, and Penn State have seen significant findings over the last several years for miscounting and misclassifying reports, as well as failing to report serious crimes that occurred on their campuses.

The branches compile and publish their own statistics. Schools are required to publish crime report statistics for the previous three calendar years. Ms. Helms presented the Committee with some of them side-by-side with comparative schools. The categories presented are sex offenses, violent crimes, and motor vehicle thefts. Given the 2020 COVID shutdown and subsequent return to campus, it helps to discuss Clery numbers in terms of crime rates as opposed to the numbers at face value. The rate of sex offenses in 2021 was slightly higher than it was in 2019 prior to the shutdown. It is aligned closely with ASU's and Houston's numbers, and lower comparatively than Berkeley's and Boulder's numbers.

Clery crimes are based on whether a crime meets a Clery Act crime offense definition, and whether it occurs within UNM's Clery geography. It not only includes what happens on campus, but at other UNM-controlled facilities off campus, and on public property adjacent to campus. They are looking at crimes that occur regardless of who is involved. Those involved could be students, faculty, staff, visitors… you name it.

The Violence Against Women Act crimes are domestic violence, dating violence, and stalking. UNM is one of two schools that did not see an increase during the three-year period. Motor vehicle thefts, which continue to be a problem statewide, were slightly higher in 2021 than they were in 2019. And this can be attributed to any number of factors. There could be more people on campus, including visitors at the hospital on North Campus. There could be more students with vehicles living on campus this past year. Or there may be certain environmental factors that contributed over time, like changes in lighting. That is something that their office plans to explore.

Regent Payne asked if they could get a different, regional comparison group to include New Mexico State, UTEP and Texas Tech. Berkeley means nothing to him as far as their numbers. Ms. Helms replied they did look at statistics from other state schools and quite frankly, there was little to compare UNM's numbers to. Their numbers were extremely low, if they published any at all. Ms. Cordova stated they will be looking at that and exploring that more. Also, this year they are preparing an executive report so that people don't have to read through that entire long report. This year the report looks a lot better, as well. Overall, they were happy there were not dramatic increases in the numbers.

Regent Brown stated they are hopeful that there was a law passed last session that hasn't shown up in UNM's data yet regarding felonies for chop shop operations. They have really strengthened the penalties against participating in re-rendering of vehicles. Hopefully, that will cut down on that industry, so to speak. Regent Schwartz stated all the crimes are higher than you would expect, and if they were rates per students instead of raw data, it would look worse. Ms. Helms reported they just did wrap up very successful campus safety week. There was an unprecedented participation rate on north campus for the safety walk, and they had a very, very successful safety walk on main campus as well. They will be updating the participants on the progress on campus based on their recommendations. UNM has seen an increase in UNMPD staffing levels and enhanced training not only on Clery, but Title IX and other programs. They continue to enhance the community policing events with other stakeholders and are looking at the President's new safe campus living taskforce. It is an exciting initiative to collaborate with not only housing on campus, but off-campus locations as well, to make sure our students are safe throughout the entire community. Additionally, they continue to collaborate with the Nob Hill Neighborhood Association on a weekly basis during the public safety meetings.

- Chien-Chih Yeh, Internal Audit Manager presented the audit recommendation follow-up report for this quarter. When an audit is completed, if there are any recommendations, they go on this report for follow up tracking. For this quarter, there are a total of six carrying over from last quarter, plus three new

recommendations approved from the UNM Children's Campus audit. There is a relatively older one on the Reserves as well as from Los Alamos. Internal Audit will continue to leave them there to be monitored until they are resolved.

Chair Brown stated he questions whether UNM has adequately set the budget for Enrollment Management. It might be insufficient with all the emphasis put on that, and the extra expense and programs. Maybe we underbudgeted them, as opposed to them overspending. Mr. Yeh responded the deficit is the reason the recommendation is still there, and Internal Audit is hoping to see a significant trend going forward.

The third item is in the process of being verified to see if it can be cleared. Items 4, 5, and 6 pertain to the RPSP audit. As the estimated implementation date just occurred on September 30th, Internal Audit reached out to them and have preliminarily determined that they are implemented. The change just has not yet been reflected on the formal report. It will reflect that in the next quarter's report for the Committee to review. There are three recommendations from the Children's Campus. They are not due until December 31st. One of them has been implemented for the required training. The remaining are on track to be implemented by December 31st.

By unanimous consent, the meeting went into Executive Session at 9:45 AM per the agenda.

a. Presentation of FY22 External Financial Audit pursuant to exceptions at Section 10-15-1H NMSA (1978) and Section 12-6-5 NMSA (1978) (*Moss Adams, KPMG, and Norma Allen, University Controller*).
b. Discussion of draft Internal Audit Reports, and discussions of information subject to attorney-client privilege pursuant RPM 1.2.
c. Schedule of Audits in Process and Proposed FY23 Audit Work plan, pursuant to RPM 1.2.
d. Vote to re-open the meeting.

The Committee unanimously approved the following Board-approved CLA audit report presented in this meeting:

- UNM Health System Ransomware Preparedness Assessment

The Committee unanimously approved the following UNM audit report:

- 2023-01 Audit of University President's Travel, Entertainment, and Other Expenses

The Committee unanimously approved the FY22 External Financial Audit report for submission to the NM State Auditor's Office.

The Committee unanimously approved the Internal Audit Annual Report.

The Committee unanimously approved the Internal Audit FY23 proposed work plan.

The meeting returned to open session at 11:28 AM with certification that only those matters described above were discussed in Executive Session. The meeting adjourned at 11:29 AM.

Approved:


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Audit and Compliance Committee Chair

# Upcoming Meeting Dates

May 4, 2023 (Entrance Conference for FY23 Financial Statements Audit)

August 10, 2023

October 19, 2023 (Exit Conference for FY23 Financial Statements Audit)

# There is no handout required for this item

**Internal Audit Director's Status Report**
**Audit and Compliance Committee Meeting**
**February 9, 2023**

## INFORMATION ITEMS

**Audit Committee Meeting Calendar.** This schedule will accommodate the FY23 External Financial Statements Audit entrance conference and exit conference. The following are the future proposed dates for the remainder of Calendar Year 2023.

    May 4, 2023 (Entrance Conference for FY23 Financial Statements Audit)
    August 10, 2023
    October 19, 2023 (Exit Conference for FY23 Financial Statements Audit)

**Internal Audit Operations and Staffing.** The Internal Audit department (IA) is currently working on a hybrid office and telecommuting schedule, which is based on telecommuting guidance issued by Human Resources.

IA currently has one vacant senior auditor position. Additionally, the department has a senior auditor leaving for a position out of state in May of this year. The department is proposing to fill the current vacant position as soon as possible. IA is also in the process of recruiting to fill a vacant student position. Internal Audit is continuing to review available budget and department staffing needs in efforts to fill the vacant positions.

Internal Audit recently completed a full migration of its TeamMate audit software. The department attended various trainings to familiarize itself with the new TeamMate+ platform. All audits and investigations were migrated from TeamMate AM to the TeamMate+ version. In addition, the new platform has revised the component for audit recommendation follow-up tracking and time reporting. The cost of the migration was $31,000, which was funded by departmental reserves.

**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, 2022 through December 31, 2022 is:

| | |
|---|---|
| Completed | 2 |
| Planning/Fieldwork | 4 |
| **Subtotal** | **6** |
| | |
| Assigned | 2 |
| Unassigned | 4 |
| **Total** | **12** |

Internal audit is in the process of completing fieldwork audit procedures for Project Echo and UNM Valencia Branch Campus. IA is planning on presenting those reports during the May meeting.

Planning procedures have been initiated for the FY 2023 University-Wide Risk Assessment and Three-Year Audit Plan. Unassigned FY23 audits may be revised based on the results for the 2023 University-Wide Risk Assessment and Three-Year Audit Plan.

**Complaint Status.**  The current status of complaints assigned to Internal Audit for FY2023, as of January 31, 2023, is:

| | |
|---|---|
| Completed/Closed | 15 |
| Planning/Fieldwork | 17 |
| Unassigned | 4 |
| **Total** | **36** |

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

The Internal Audit director continues to serve as an EthicsPoint Administrator along with the Chief Compliance Officer.

**Risk Assessment**
The FY 2023 University-Wide Risk Assessment is underway. The risk assessment team is comprised of Internal Audit, Main Campus Compliance, and UNMH/Compliance offices. The team finalized the risk assessment survey for distribution to all university-wide units being assessed. The risk assessment survey questions are designed to address operational, compliance, financial, and information security risks facing the university. The survey launch has been scheduled go to selected UNM personnel across the University. Information Technologies Support is assisting in the survey distribution and administration of the data.

In addition to the survey, Internal Audit and the Compliance offices will develop their work plans based on independent risk assessment procedures. Work plans are anticipated to be completed and presented to the A&C Committee during the August meeting.

**External Financial Statement Audit**
The external auditors (Moss Adams/KPMG) completed the third year of a second three-year contract for UNM's financial statement audit. The Controller's office submitted a Request for Proposal (RFP) for a new external audit contract and the bid closed in mid-January. The UNM RFP external audit committee is in the process of reviewing the bids and hopes to award the contract before the end of February. The Committee's decision is contingent on the State Auditor's posted list of approved public accounting firms.

**Health System Internal Audit**
Clifton Larson Allen (CLA) has completed two (2) audits, which have been presented and received approval from each applicable Health System Audit and Compliance Committee. The reports will be presented in closed session by the CLA team for BOR A&C Committee approval.

**External Audits and Reviews.**  At Tab #5 is the summary information as of December 31, 2022 regarding the external audits/reviews (third party financial audits) of various grants, contracts, and programs by various grantor agencies. There is currently one (1) audit/review to report for this reporting period.

The Health Resources & Services Administration (HRSA) is conducting an audit of a Ryan White 340B Drug Pricing Program grant awarded to the Internal Medicine department. The audit scope covers 7/1/2021 through 6/30/2022. UNM is still waiting for the funding agency to send final exit information for the audit and is not yet aware of any findings.

**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! | $1,115,730.00 | $.00 | $1,115,730.00 | $.00 | .00% | $1,115,730.00 | 100.00% | $.00 | $.00 | .00% |
| 1900 - Reserves | $.00 | $.00 | $.00 | $.00 | .00% | $236,012.16 | .00% | $.00 | ($236,012.16) | .00% |
| 1901 - Budgeted Use of Rese! | $70,000.00 | $.00 | $70,000.00 | $.00 | .00% | $.00 | .00% | $.00 | $70,000.00 | 100.00% |
| **\*TOTAL Revenue** | | | | | | | | | | |
| | **$1,185,730.00** | **$.00** | **$1,185,730.00** | **$.00** | **.00%** | **$1,351,742.16** | **114.00%** | **$.00** | **($166,012.16)** | **(14.00%)** |
| **Expense** | | | | | | | | | | |
| 2020 - Administrative Professi! | $716,027.00 | $.00 | $716,027.00 | $56,422.82 | 7.88% | $338,536.92 | 47.28% | $338,536.92 | $38,953.16 | 5.44% |
| 2060 - Support Staff Salary D! | $52,841.00 | $.00 | $52,841.00 | $4,072.28 | 7.71% | $24,611.53 | 46.58% | $28,452.62 | ($223.15) | (.42%) |
| 20J0 - Student Salaries Gen | $17,000.00 | $.00 | $17,000.00 | $.00 | .00% | $105.30 | .62% | $.00 | $16,894.70 | 99.38% |
| 2110 - Fica Gen | $58,818.00 | $.00 | $58,818.00 | $3,965.52 | 6.74% | $25,795.27 | 43.86% | $.00 | $33,022.73 | 56.14% |
| 2140 - Retirement Gen | $131,861.00 | $.00 | $131,861.00 | $10,374.92 | 7.87% | $62,280.03 | 47.23% | $.00 | $69,580.97 | 52.77% |
| 2160 - Group Insurance Gen | $99,876.00 | $.00 | $99,876.00 | $4,546.82 | 4.55% | $27,117.45 | 27.15% | $.00 | $72,758.55 | 72.85% |
| 2180 - Unemployment Comp! | $538.00 | $.00 | $538.00 | $42.35 | 7.87% | $254.21 | 47.25% | $.00 | $283.79 | 52.75% |
| 21A0 - Workers Compensatio! | $707.00 | $.00 | $707.00 | $72.85 | 10.30% | $363.73 | 51.45% | $.00 | $343.27 | 48.55% |
| 21J0 - Other Staff Benefits G! | $32,754.00 | $.00 | $32,754.00 | $2,577.07 | 7.87% | $15,469.99 | 47.23% | $.00 | $17,284.01 | 52.77% |
| 21L0 - Accrued Annual Leave! | $77.00 | $.00 | $77.00 | $.00 | .00% | $.00 | .00% | $.00 | $77.00 | 100.00% |
| 21L1 - Catastrophic Leave Ex! | $77.00 | $.00 | $77.00 | $.00 | .00% | $.00 | .00% | $.00 | $77.00 | 100.00% |
| 3100 - Office Supplies Gener! | $700.00 | $.00 | $700.00 | $.00 | .00% | $15.32 | 2.19% | $236.94 | $447.74 | 63.96% |
| 3110 - Books Periodicals Gen | $150.00 | $.00 | $150.00 | $.00 | .00% | $.00 | .00% | $.00 | $150.00 | 100.00% |
| 3140 - Computer Software G! | $223.00 | $.00 | $223.00 | $.00 | .00% | $584.10 | 261.93% | $.00 | ($361.10) | (161.93%) |
| 3150 - Computer Supplies <$! | $750.00 | $.00 | $750.00 | $13.88 | 1.85% | $17.07 | 2.28% | $223.28 | $509.65 | 67.95% |
| 3170 - Custodial Supplies Gen | $100.00 | $.00 | $100.00 | $.00 | .00% | $.00 | .00% | $.00 | $100.00 | 100.00% |
| 3180 - Non Capital Equipmen! | $1,000.00 | $.00 | $1,000.00 | $.00 | .00% | $.00 | .00% | $.00 | $1,000.00 | 100.00% |
| 3189 - Tagged Non-Capital E! | $2,500.00 | $.00 | $2,500.00 | $.00 | .00% | $.00 | .00% | $.00 | $2,500.00 | 100.00% |
| 31A0 - Business Food - Local | $500.00 | $.00 | $500.00 | $.00 | .00% | $.00 | .00% | $.00 | $500.00 | 100.00% |
| 31C0 - Dues Memberships G! | $5,000.00 | $.00 | $5,000.00 | $1,005.00 | 20.10% | $1,915.00 | 38.30% | $.00 | $3,085.00 | 61.70% |
| 31J0 - Parking Permits Gen | $100.00 | $.00 | $100.00 | $.00 | .00% | $425.00 | 425.00% | $.00 | ($325.00) | (325.00%) |
| 31K0 - Postage Gen | $30.00 | $.00 | $30.00 | $.00 | .00% | $.00 | .00% | $.00 | $30.00 | 100.00% |
| 31P0 - Training Materials Sup! | $250.00 | $.00 | $250.00 | $.00 | .00% | $.00 | .00% | $.00 | $250.00 | 100.00% |
| 3800 - In State Travel Gen | $300.00 | $.00 | $300.00 | $.00 | .00% | $.00 | .00% | $.00 | $300.00 | 100.00% |
| 3805 - Instate Travel-Per Die! | $125.00 | $.00 | $125.00 | $.00 | .00% | $.00 | .00% | $.00 | $125.00 | 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 |
|---|---|---|---|---|---|---|---|---|---|---|
| 3820 - Out Of State Travel G! | $.00 | $.00 | $.00 | $.00 | .00% | $3,921.51 | .00% | $.00 | ($3,921.51) | .00% |
| 3825 - Out State Travel-Per D! | $900.00 | $.00 | $900.00 | $.00 | .00% | $.00 | .00% | $.00 | $900.00 | 100.00% |
| 3830 - Out State Trvl-Per Die! | $300.00 | $.00 | $300.00 | $.00 | .00% | $.00 | .00% | $.00 | $300.00 | 100.00% |
| 6000 - Telecom Charges Gen | $3,650.00 | $.00 | $3,650.00 | $292.50 | 8.01% | $1,755.00 | 48.08% | $.00 | $1,895.00 | 51.92% |
| 6020 - Long Distance Gen | $40.00 | $.00 | $40.00 | $.00 | .00% | $.00 | .00% | $.00 | $40.00 | 100.00% |
| 6060 - Voice Mail Box Gen | $650.00 | $.00 | $650.00 | $50.00 | 7.69% | $300.00 | 46.15% | $.00 | $350.00 | 53.85% |
| 6300 - Alarm System Gen | $300.00 | $.00 | $300.00 | $11.25 | 3.75% | $67.50 | 22.50% | $.00 | $232.50 | 77.50% |
| 63A0 - Conference Fees Gen | $6,000.00 | $.00 | $6,000.00 | $.00 | .00% | $5,000.00 | 83.33% | $.00 | $1,000.00 | 16.67% |
| 63A2 - Seminars/Training Fe! | $4,000.00 | $.00 | $4,000.00 | $.00 | .00% | $100.00 | 2.50% | $.00 | $3,900.00 | 97.50% |
| 63C0 - Copying Gen | $75.00 | $.00 | $75.00 | $.00 | .00% | $.00 | .00% | $.00 | $75.00 | 100.00% |
| 63V0 - Consultant Fees Gen | $15,000.00 | $.00 | $15,000.00 | $.00 | .00% | $.00 | .00% | $.00 | $15,000.00 | 100.00% |
| 69Z0 - Other Professional Ser! | $12,000.00 | $.00 | $12,000.00 | $705.48 | 5.88% | $4,215.94 | 35.13% | $6,000.00 | $1,784.06 | 14.87% |
| 7000 - Plant Repairs Mainten! | $300.00 | $.00 | $300.00 | $.00 | .00% | ($118.40) | (39.47%) | $.00 | $418.40 | 139.47% |
| 70E0 - Computer Hardware ! | $850.00 | $.00 | $850.00 | $.00 | .00% | $.00 | .00% | $.00 | $850.00 | 100.00% |
| 70E1 - Computer Software M! | $11,500.00 | $.00 | $11,500.00 | $27,900.00 | 242.61% | $38,451.20 | 334.36% | $3,100.80 | ($30,052.00) | (261.32%) |
| 70F0 - Equipment Rent Expe! | $2,661.00 | $.00 | $2,661.00 | $157.91 | 5.93% | $1,028.78 | 38.66% | $.00 | $1,632.22 | 61.34% |
| 80K0 - Banner Tax | $700.00 | $.00 | $700.00 | $301.36 | 43.05% | $576.79 | 82.40% | $.00 | $123.21 | 17.60% |
| 80K2 - Foundation Surcharge | $4,500.00 | $.00 | $4,500.00 | $561.05 | 12.47% | $2,761.05 | 61.36% | $.00 | $1,738.95 | 38.64% |
| **\*TOTAL Expense** | | | | | | | | | | |
| | $1,185,730.00 | $.00 | $1,185,730.00 | $113,073.06 | 9.54% | $555,550.29 | 46.85% | $376,550.56 | $253,629.15 | 21.39% |
| Total Revenue: | $1,185,730.00 | $.00 | $1,185,730.00 | $.00 | .00% | $1,351,742.16 | 114.00% | $.00 | ($166,012.16) | (14.00%) |
| Total Expense: | $1,185,730.00 | $.00 | $1,185,730.00 | $113,073.06 | 9.54% | $555,550.29 | 46.85% | $376,550.56 | $253,629.15 | 21.39% |
| Net: | $.00 | $.00 | $.00 | ($113,073.06) | .00% | $796,191.87 | .00% | ($376,550.56) | $419,641.31 | .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.**

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

| Granting Agency/Entity | HRSA |
|---|---|
| Contract/Grant/Program Title | Ryan White Part C & D - 340B Drug Pricing Program (340B Program) |
| Contract/Grant Period | Audit covers 7/1/21 - 6/30/22 |
| Contract/Grant Total Amount | Various |
| Contract/Grant Amount - Current FY | |
| Principal Investigator | Iandiorio |
| Department | Truman/Internal Med |
| Agency Audit/Review Notification Date | |
| Audit/Review Entrance/Visit Date(s) | Entrance Conference - 5/10/2022 |
| Audit/Exit/Final Report Issued | N/A |
| Questioned Cost, if any | N/A |
| Audit/Review Major Finding, if any | N/A |
| Corrective Action Plan, if any | N/A |
| Planned Implementation Date | N/A |
| Campus | HSC |
| Auditor if Different than Grantor | HRSA |
| Comments | Provided samples and follow up audit requests. Waiting on final exit information. Truman had turnover of Business Manager, new employee still working to obtain closeout letter. |

# Budget to Actual Report
## July 1, 2022 through December 31, 2022

| Description | Status | FY 23 Budgeted Hours (*) | FY 23 Actual Hours | Variance |
|---|---|---|---|---|
| **Audit Plan** | | | | |
| **Prior Year** | | | | |
| Children's Campus | Completed - Follow up | 200 | 138 | 62 |
| President's Travel and Entertainment FY22 | Completed | 150 | 126 | 24 |
| Information Security | Planning | 400 | | 400 |
| UNM Valencia | Fieldwork | 1,000 | 496 | 504 |
| Project Echo | Fieldwork | 600 | 143 | 457 |
| Anderson School of Management | Assigned | 500 | | 500 |
| Office of Medical Investigator (OMI) | Assigned | 200 | | 200 |
| Enrollment Management | Unassigned | | | |
| Internal Medicine | Unassigned | | | |
| | | | | |
| **FY 2023** | | | | |
| 2023 Risk Assessment | Planning | 150 | 4 | 146 |
| Non-Standard Payment (NSP) audit | Unassigned | 100 | | 100 |
| President's Travel and Entertainment FY23 | Unassigned | 100 | | 100 |
| | | | | |
| **Audit Plan Subtotal** | | 3,400 | 907 | 2,493 |
| | | | | |
| | | | | |
| Misconduct and Fraud | | 3,500 | 1,505 | 1,995 |
| Audit Recommendations Follow-up | | 250 | 26 | 224 |
| Management Requests | | 300 | | 300 |
| **Non Audit Plan Subtotal** | | 4,050 | 1,531 | 2,519 |
| **Total Project Hours** | | 7,450 | 2,438 | 5,012 |
| | | | | |
| **Leave and Administrative** | | | | |
| Holiday | | 784 | 640 | 144 |
| Annual | | 1,176 | 556 | 620 |
| Sick | | 672 | 322 | 350 |
| CPE/Training | | 350 | 790 | (440) |
| Administrative Time/Management | | 2,880 | 1,502 | 1,378 |
| Administrative Staff Time | | 648 | 340 | 308 |
| Audit and Compliance Committee, Meetings | | 550 | 272 | 278 |
| IT Support/TeamMate | | 650 | 484 | 166 |
| **Total Leave and Administrative Hours** | | 7,710 | 4,906 | 2,804 |
| | | | | |
| **FY23 Total Hours** | | **15,160** | **7,344** | **7,816** |

\* Including 600 hours of student intern

# Regents Audit and Compliance Committee

February 9, 2023

**OFFICE OF COMPLIANCE, ETHICS & EQUAL OPPORTUNITY**

# Upcoming Changes to Title IX

May 2023 is the expected month for its release

Unknowns:

What the final changes will be

Allotted time for implementation

What We Do Know:

UNM Hearings and Advisors will remain

We will provide regular updates, including Townhalls, trainings, FAQs, departmental meetings, etc.

# Campus Safety Tracker

Last fall, CEEO created an ongoing progress report that keeps Safety Walk participants apprised of the status of work order requests placed on their behalf following the September Safety Walk event.

The lights get brighter and brighter with every repair that gets made.

As of January 26, 2023, the Campus Safety Tracker shows that Facilities Management has completed **65 of the 111 work orders** that got submitted in October, which is up from 45 just earlier this month.

Thank You, Regent Brown!

**UNM HEALTH SCIENCES | UNM HEALTH**

# COMPLIANCE OFFICE UPDATE
## Thursday, February 9, 2023

**PRESENTED TO:**
UNM BOARD OF REGENTS'
AUDIT AND COMPLIANCE COMMITTEE

**PRESENTED BY:**
ANGELA VIGIL, COMPLIANCE OFFICER
UNM HEALTH AND HEALTH SCIENCES COMPLIANCE

# GENERAL UPDATES

# Compliance Department Consolidation Update

**MEET AND GREET SESSIONS:**

As part of the July 1, 2022 consolidation of the UNM Health System and UNM Health Sciences Compliance Departments, meet and greet sessions were scheduled with key stakeholders from UNM Health Sciences.

- Purpose:
    - Introductions
    - Identify any gaps and discuss compliance needs within their respective units and offer ideas of how the Compliance Department can serve as a resource to them.

- Outcome:
    - In conducting these meetings, the following gaps were identified by all/most Deans and leaders:
        - Familiarity with the Who/What of Compliance: The majority of the Deans and leaders are not familiar with the organizational structure of the Compliance Department and its operational function
        - Compliance Research and Education: There was an identified unfamiliarity with how the Compliance Department can serve as a resource to the various Health Sciences Departments, e.g., conducting research relative to compliance questions that may arise and providing compliance education outside of what is offered via Learning Central.

- Next Steps:
    - In the coming weeks, meetings will be scheduled with the various UNM Health Sciences Departments for the purpose of providing an overview of the Compliance Department, its functions and how it can serve as a resource to them.

# UNM Health Sciences Conflict of Commitment/Outside Activities

**Documentation development process is currently underway (Policy, Attestation and Management Plan)**

- February 3, 2023:
  - Faculty to submit edits/recommendations on policy, attestation, management plan.
- April 19, 2023:
  - ECC meeting to review/approve final Conflict of Commitment & Outside Activity policy.
- April 20 – June 30, 2023:
  - Policy moves through appropriate Committees for approval
    - Policy Alignment Workgroup (PAW)
    - Dr. Ziedonis' desk for signature
    - UNM HSC Policy Office for publication in Policy Manager
- Subsequent Initiatives:
  - Training Plan
  - Communication Plan
  - Develop similar process for UNM Health System

# Enterprise Risk Assessment Survey

**Planned Distribution**

- UNM Main Campus, UNM Health System, UNM Health Sciences
- February 20, 2023 with a completion deadline date of March 10, 2023

**As a separate initiative, the UNM Health and Health Sciences Compliance Department will be conducting interviews with leaders of each respective entity.**

- A list of interview questions is currently being developed with interviews to be scheduled in the February 2023 timeframe
- The purpose is to identify specific areas of risk or concern for inclusion in:
    > The FY 24 Compliance Audit Work Plans for each UNM Health System entity; and/or
    > The UNM Health and Health Sciences Annual Compliance Work Plans
    - Compliance Audit Work Plans and General Annual Compliance Work Plans to be developed by late March 2023 and presented for approval in April 2023 at the various UNM Health System Audit and Compliance Committee meetings and the UNM Health Sciences Executive Compliance Committee.

# LEARNING CENTRAL: 2022 YEAR-END REPORT

UNM HEALTH AND HEALTH SCIENCES

# Learning Central 2022 Year-End Report

The following reflects the calendar year-end results of the mandatory Compliance Training for UNM Health and Health Sciences:

| ENTITY | TRAINING NAME | # EMPLOYEES | # COMPLETED | # NOT COMPLETED | PERCENTAGE |
|---|---|---|---|---|---|
| UNM Medical Group | Code of Conduct/Ethics | 660 | 658 | 2 | 99.7% |
| | Compliance | | 659 | 1 | 99.8% |
| | Fraud, Waste & Abuse | | 659 | 1 | 99.8% |
| UNM Hospitals | Code of Conduct/Ethics | 7204 | 7201 | 3 | 99.9% |
| | Compliance | | 7202 | 2 | 99.97% |
| | Fraud, Waste & Abuse | | 7201 | 3 | 99.9% |
| UNM Sandoval Regional Medical Center | Code of Conduct/Ethics | 656 | 654 | 2 | 99.7% |
| | Compliance | | 655 | 1 | 99.8% |
| | Fraud, Waste & Abuse | | 655 | 1 | 99.8% |
| Health Sciences Center | Code of Conduct/Ethics | 5587 | 5058 | 529 | 90.53% |
| | Compliance | | 5016 | 571 | 89.77% |
| | Fraud, Waste & Abuse | | N/A | N/A | N/A |

# ETHICSPOINT HOTLINE: 2022 YEAR-END REPORT

# EthicsPoint Hotline 2022 Year-End Case Report

| ENTITY | Total Cases: 167 | Total Closed: 136 | Total In-Process: 31 |
|---|---|---|---|
| UNM Medical Group | 8 | 5 | 3 |
| UNM Hospitals | 72 | 64 | 8 |
| UNM Sandoval Regional Medical Center | 2 | 2 | 0 |
| UNM Health Sciences | 85 | 66 | 19 |

# UNM Medical Group EthicsPoint 2022 Summary | Issue Type

| | | |
|---|---|---|
| 🟢 | Human Resources | 3 (37.5%) |
| 🟡 | Medical | 2 (25%) |
| 🟠 | Human Resources - Other Human Resource Matters | 1 (12.5%) |
| 🟠 | Other - Other | 1 (12.5%) |
| 🔴 | Risk and Environmental Safety | 1 (12.5%) |

**TOTAL: 8**

# UNM Hospitals EthicsPoint 2022 Summary | Issue Type

| | | |
|---|---|---|
| ● Human Resources | 26 (36.11...) | |
| ● Medical | 12 (16.67...) | |
| ● Other | 8 (11.11%) | |
| ● Human Resources - Bullying | 3 (4.17%) | |
| ● Information Technology and Data Privacy | 3 (4.17%) | |
| ● Risk and Environmental Safety | 3 (4.17%) | |
| ● Civil Rights and Sexual Misconduct | 2 (2.78%) | |
| ● Human Resources - Offensive or Inappropriate Co... | 2 (2.78%) | |

**TOTAL: 72**

| | |
|---|---|
| ● Human Resources - Time Abuse | 2 (2.78%) |
| ● Medical - Patient Abuse/Physical or Verbal | 2 (2.78%) |
| ● Medical - Patient Care | 2 (2.78%) |
| ● Athletics - Recruiting Misconduct | 1 (1.39%) |
| ● Human Resources - Employee Misconduct | 1 (1.39%) |
| ● Human Resources - Recruitment/Hiring | 1 (1.39%) |
| ● Human Resources - Unsafe Working Conditions | 1 (1.39%) |
| ● Medical - HIPAA | 1 (1.39%) |
| ● Medical - Other Medical Research or Patient Matters | 1 (1.39%) |
| ● Risk and Safety Matters - Environmental and Safety... | 1 (1.39%) |

# UNM Sandoval Regional Medical Center EthicsPoint 2022 Summary | Issue Type

| | |
|---|---|
| 🟢 Human Resources | 1 (50%) |
| 🟡 Medical | 1 (50%) |

**TOTAL: 2**

# UNM Health Sciences EthicsPoint 2022 Summary | Issue Type

| | |
|---|---|
| ● Human Resources | 30 (35.29... |
| ● Academic Affairs | 9 (10.59%) |
| ● Other | 6 (7.06%) |
| ● Medical | 5 (5.88%) |
| ● Human Resources - Other Human Resource Matters | 4 (4.71%) |
| ● Accounting and Financial | 3 (3.53%) |
| ● Human Resources - Bullying | 3 (3.53%) |
| ● Research | 3 (3.53%) |
| ● Accounting and Financial - Theft / Embezzlement | 2 (2.35%) |
| ● Conflict of Interest | 2 (2.35%) |

| | |
|---|---|
| ● Accounting and Financial | 3 (3.53%) |
| ● Human Resources - Bullying | 3 (3.53%) |
| ● Research | 3 (3.53%) |
| ● Accounting and Financial - Theft / Embezzlement | 2 (2.35%) |
| ● Conflict of Interest | 2 (2.35%) |
| ● Human Resources - Employee Misconduct | 2 (2.35%) |
| ● Information Technology and Data Privacy | 2 (2.35%) |
| ● Civil Rights and Sexual Misconduct | 1 (1.18%) |
| ● Conflict of Interest - Financial | 1 (1.18%) |
| ● Equal Opportunity - Harassment or Discrimination | 1 (1.18%) |
| ● Human Resources - Recruitment/Hiring | 1 (1.18%) |

| | |
|---|---|
| ● Human Resources - Threat or Inappropriate Super... | 1 (1.18%) |
| ● Human Resources - Time Abuse | 1 (1.18%) |
| ● Human Resources - Violence or Threat | 1 (1.18%) |
| ● Information Technology - Data Privacy/Integrity | 1 (1.18%) |
| ● Information Technology - Malicious / Inappropriate... | 1 (1.18%) |
| ● Other - Other | 1 (1.18%) |
| ● Research - Scientific Misconduct | 1 (1.18%) |
| ● Risk and Environmental Safety | 1 (1.18%) |
| ● Risk and Safety Matters - Other Risk and Safety Ma... | 1 (1.18%) |
| ● Sexual Violence and Sexual Misconduct | 1 (1.18%) |

**TOTAL: 85**

# QUESTIONS/DISCUSSION

UNM HEALTH SCIENCES | UNM HEALTH

*Thank you for your time,*

**Angela Vigil, MBA, CHC**
Compliance Officer
UNM Health & Health Sciences Compliance

Email:   AngMVigil@salud.unm.edu
Office:  (505) 272-7069
Cell:      (505) 250-0078

| 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 | 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 reviewed service contracts with FM and did not identify any service contracts that were not fulfilled to completion. In addition, IA found no projects that did not obtain a permit, when required. The FM Director is also conducting reviews to ensure required permits are obtained at all times. | Alfred Sena,Dir,Facilities Management |
| 2 | Audit of Research and Public Service Projects (RPSP) | 5/5/2022, 5, H | Recommendation 2A - Centralize RPSP Monitoring | Academic Affairs will establish an annual review process to raise awareness of programmatic expectations on the part of RPSP Project Directors. | Academic Affairs accepts the recommendation and will establish an annual review process that will sample approximately one third of continuing RPSPs each year to raise awareness of programmatic expectations on the part of RPSP Project Directors. RPSP-like projects, identified by Government Relations in collaboration with Academic Affairs, and in accordance with Recommendation 1 will be included in the set of projects sampled for Academic Affairs review. | 9/30/2022 | Academic Affairs has implemented a detailed process for identifying, reviewing, and prioritizing RPSPs for submission to NM HED, which includes at least 33% of existing RPSPs. | James Paul Holloway, Provost/Exec VP for AA |
| 3 | Audit of Research and Public Service Projects (RPSP) | 5/5/2022, 5, H | Recommendation 3A - Monitor Categorization of Reserves (Main Campus ) | The Office of Planning, Budget and Analysis should work with Departments/Units who receive RPSP funding to ensure RPSP's reserves are properly categorized as "committed." | The Office of Planning, Budget and Analysis (OPBA) will identify all current active RPSP funding indices to ensure that reserves are appropriately categorized as "committed." In the short term, we will manually review our list of active RPSP indices to ensure proper categorization of reserves. In the long term, for all new RPSP indices setup going forward, we will explore a change to the naming convention for each RPSP index that more clearly identifies the RPSP activity, as well as incorporate a unique identifier within the Fund, Org, Program, or Activity (FOPA). OPBA will work with IT to see if there's a way to automatically categorize reserves as "committed" using the unique identifier in the Categorization of Reserves (CAR) system. Lastly, we will emphasize in our annual training to departments prior to opening the CAR system that RPSP activity must be categorized as committed. | 9/30/2022 | Internal Audit confirmed with the Director of Office of Planning, Budget and Analysis that they had implemented their management response. To assess, IA identified the population of Main Campus RPSPs in FY22 with year-end balances, and selected a sample of items for testing. All reserve balances tested were categorized as "Committed,"consistent with UAP 7000. | Jeremy Hamlin,Dir,Univ Budget Operations |

| 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 |
|---|---|---|---|---|---|---|---|---|
| 4 | Audit of Research and Public Service Projects (RPSP) | 5/5/2022, 5, H | Recommendation 3B - Monitor Categorization of Reserves (HSC) | The Health Sciences Budget Office should work with Departments/Units who receive RPSP funding to ensure RPSP's reserves are properly categorized as "committed." | The Health Sciences Budget Office will identify all current active RPSP funding indices to ensure that reserves are appropriately categorized as "committed." In the short term, we will manually review our list of active RPSP indices to ensure proper categorization of reserves. In the long term, for all new RPSP indices setup going forward, we will explore an addition to the naming convention for each RPSP index to clearly identify the RPSP activity to incorporate a unique identifier within our FOPA. OPBA and HSC Budget Office will work with IT to see if there is a way to automatically categorize reserves as "committed" using the unique identifier in the Categorization of Reserves (CAR) system. Lastly, we will emphasize in our annual training to departments prior to opening the CAR system that RPSP activity must be categorized as committed. | 9/30/2022 | The lead auditor followed up with the HSC Budget Director to determine the status of implementation. His responses indicated that they have implemented a review process for categorization, and updated training materials regarding classification of RPSPs.They had explored a technological solution but did not believe it to be feasible at this time. The lead auditor independently assessed a random selection of RPSPs with remaining funds at FYE22, finding all were categorized correctly within the Budgeting system. | Joseph Wrobel,Int Chf Budgt & Facil Officer/ |
| 5 | Audit of UNM Children's Campus | 8/11/2022, 3, M | Recommendation 1 - In-House Accounting Support at UNMCC | UNMCC should work with the Provost's office to obtain resources to assist with its financial and accounting operations while it continues its efforts in filling vacant key positions. | UNMCC agrees the strategic decision was made to temporarily hold key positions vacant to support the department's fiscal solvency, and for compliance with New Mexico State Child Care Licensing Regulations and COVID Safety Guidelines. While it was initially challenging to find suitable candidates to fill key positions, UNMCC Senior Leadership Team is currently fully staffed. The Operations Manager was hired in April 2022 to provide financial oversight for the department, along with a Fiscal Services Technician to support the day-to-day fiscal operations of the program in May 2022. These hires re-established an efficient workflow and effective separation of duties for the Children's Campus. Should key positions become vacant in the future, UNMCC will work with the Provost's Office to obtain necessary resources for its financial and accounting operations. Department will monitor and ensure that key positions remain filled, ensuring an efficient and effective separation of duties. | 12/31/2022 | IA has reviewed employee lists and organizational charts for the Children's Campus as of 12/31/2022. UNMCC appears to have sufficient staffing in place to maintain proper and effective separation of duties. | Daniela Marysol Baca,Dir,Child Care Center |

| 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 |
|---|---|---|---|---|---|---|---|---|
| 6 | Audit of UNM Children's Campus | 8/11/2022, 3, M | Recommendation 2 - Required Training - Cash Management | UNMCC's management should develop procedures to ensure that individuals responsible for handling cash take the online Cash Management training. | UNMCC agrees that upon UNM Internal Audit's review of the status of cash handling training for the department, the Administrative Assistant II had not completed the proper training. The cash handling training is one the Children's Campus requires staff responsible for handling cash to complete during their initial onboarding to the department if they will be responsible for handling cash. Unfortunately, this individual's hire was processed at the start of the pandemic, requiring them to complete the training while working remotely and with limited support during their initial onboarding. A mechanism was not in place at the time to ensure that the training had in fact been completed remotely as required. Upon notification by IA, the individual immediately completed the necessary training. The Operations Manager will develop Standard Operating Procedures to ensure that individuals responsible for cash handling have completed the proper training prior to handling any cash for the department. | 12/31/2022 | IA verified that the individual has completed the required training, and UNMCC has developed standard operating procedures regarding the Cash Management training as recommended. | Daniela Marysol Baca,Dir,Child Care Center |
| 7 | Audit of UNM Children's Campus | 8/11/2022, 3, M | Recommendation 3 - Access Control | UNMCC management should: 1. Develop formal authentication policies to periodically reconcile active users to active employees and identify any unusual user(s); and 2. Ensure all users are assigned a user role. | 1. UNMCC agrees that a formal policy to periodically reconcile Smartcare active users to active employees was not in place at the time of IA review. UNMCC's internal process is to assign a new employee the appropriate user role when their account is established in the Smartcare system, and to electronically archive the individual within the system when they leave the department or no longer require that level of access. However, a formal process was not in place to ensure reconciliation between active user roles and active employees. 2. The Children's Campus agrees that the IA review determined that one of the department's Cooks was not assigned the "Cook" role in the Smartcare System. This individual was hired prior to the transition from Childcare Manager to Smartcare and the migration of data from one system to the other inadvertently excluded an assigned user role for this individual. | 12/31/2022 | IA verified that UNMCC management has developed related policies and assigned a user role as recommended. | Daniela Marysol Baca,Dir,Child Care Center |

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| 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 decreased from ($229,575) at the beginning of FY22 to ($215,786) at the end of FY22. Management indicated Student Publications is projecting to have a positive balance at the end of FY23 of $9K and believes the recurring deficit is no longer an issue. Adjustments were made operationally and sales increased. These are the primary reasons for resolving the recurring deficit. In the current funding period, a recommendation was made to use one-time funds to cover the full accumulated deficit. If the recommendation is approved by the BOR, the accumulated deficit will be paid off in FY24. If this recommendation is not approved, Shared Services will work with Student Affairs on revising the deficit reduction plan to ensure there is a feasible plan to pay down the deficit in a reasonable timeframe. | 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. | 12/31/2022 | 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 December 2022 was requested and approved. | Mike Holtzclaw, Chancellor/Branc h; Bob  Harmon, Dir,Business Opns/Sm Branch: Los Alamos Branch |

# EXECUTIVE SESSION