

BOARD of REGENTS



AUDIT AND COMPLIANCE COMMITTEE MEETING

*Thursday March 15, 2018 9:00 am
Scholes Hall, Roberts Room*

The University of New Mexico
Board of Regents' Audit and Compliance Committee
March 15, 2018 – 9:00 AM
Roberts Room
Agenda

ACTION ITEMS

1. Confirmation of a Quorum and Adoption of Agenda
2. Approval of Meeting Minutes from October 18, 2017
3. Approval of the Contract for UNM FY18 Annual Financial Statements Audit (*Elizabeth Metzger, University Controller*)
4. Audit and Compliance Committee Meeting dates for calendar year 2018
March 28, 2018 (Proposed Special meeting)
May 17, 2018 - Start at 9:00 AM (Entrance Conference for FY18 External Audit)
August 9, 2018
October 18, 2018 (Exit Conference for FY18 External Audit)

INFORMATION ITEMS

5. Main Campus Chief Compliance Officer Status Report (*Libby Washburn, UNM Main Campus Chief Compliance Officer*)
6. Advisors' Comments
7. Status of Audit Recommendations (*Chien-chih Yeh, Internal Audit Manager*)
Implemented
Pending
8. Director of Internal Audit Status Report (*Manu Patel, Internal Audit Director*)

EXECUTIVE SESSION

9. Vote to close the meeting and to proceed in Executive Session as follows:
 - a. Discussion of draft Internal Audit Reports, and discussion of information subject to attorney-client privilege pursuant to RPM 1.2;
 - b. Discussion of limited personnel matters pursuant to exception at Section 10-15-1.H(2) NMSA (1978);
 - c. Schedule of Audits in Process and Status of FY18 Audit Work plan, pursuant to RPM 1.2;
 - d. 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 Meeting
October 18, 2017 – Draft Meeting Minutes

Members Present: Thomas Clifford, Chair, Alex O. Romero, Vice Chair, Lt. Gen. Bradley Hosmer (quorum).

Other Attendees: Chaouki Abdallah, David Harris, Craig White, Liz Metzger, Chris Vallejos, Libby Washburn, Duane Arruti, Francie Cordova, Heather Cowan, Rob Burford, Pamina Deutsch, Keelie Garcia, Darlene Fernandez, James Wilterding, Elsa Cole, Peggy Davis, Che Shu-Nyamboli, Ella Watt, Purvi Mody, Ava Lovell, Mike Schwantes, Mayra Vazquez, Pranav Shrestha, Preston Hendricks, Mallory Reviere, Brendon Gray, Lisa Todd (Moss Adams), Amy Carter (Moss Adams), John Kennedy (KPMG), Jaime Cavin (KPMG), Manu Patel, Chien-chih Yeh, Victor Griego, Lisa Wauneka, Lola Neudecker, Amy O'Donnell.

Chairman Clifford called the meeting to order at 11:00 AM in ROBERTS ROOM, Scholes Hall, UNM.

ACTION ITEMS:

- The Committee unanimously approved the current meeting agenda and the minutes from August 25, 2017. Regent Hosmer inquired about items in the minutes that require follow up action. Internal Audit Director Patel informed the Committee that these items will be discussed later in this meeting in the upcoming presentations. Chairman Clifford stated he feels the minutes are too detailed, and also he would like follow up items to be pulled out from the minutes separately.
- There were no changes to the proposed meeting dates of February 15, 2018 and May 17, 2018. Chairman Clifford stated there is so much material to cover for this meeting it was overwhelming. He feels the Committee may need to work on meeting more often and February seems too far out. Director Patel replied that per policy, this Committee meets quarterly. That does not prevent the Committee from calling for a special meeting. The Committee requested that Director Patel provide possible dates for a special meeting in the second week of December. Chairman Clifford and Regent Romero also asked for prioritization and upcoming schedules of which audits will be delivered at each upcoming meeting.

By unanimous consent, the meeting went into Executive Session at 11:05 AM for the reasons stated in the agenda.

- a. Presentation of FY17 External Financial Audit pursuant to exceptions at Section 10-15-1H NMSA (1978) and Section 12-6-5 NMSA (1978) (*Moss Adams, KPMG and Liz Metzger, University Controller*)
- b. Discussion of draft Internal Audit Reports, and discussions of information subject to attorney-client privilege pursuant RPM 1.2
- c. Discussion of limited personnel matters pursuant to exception at Section 10-15-1.H(2) NMSA (1978);
- d. Schedule of Audits in Process and Proposed FY18 Audit Work plan, pursuant to RPM 1.2
- e. Vote to re-open the meeting.

The meeting returned to open session at 3:33 PM, with certification that only those matters described above were discussed in Executive Session.

The Committee accepted the KPMG/Moss Adams FY17 External Financial Audit.

The Committee unanimously approved the following UNM Hospital audits:

- UNMH Information Technology Terminated Employees Removal from System Access, Report 2017-07
- UNM Health System Internal Audit Work Plan for Fiscal Years 2018-2020, Report 2018-01

The Committee unanimously approved the following UNM reports:

- Audit of Student Health and Counseling Pharmacy, Report 2017-02
- Audit of LGBTQ Resource Center Financial Transactions, Report 2017-13
- University Wide Risk Assessment and Proposed Five Year Work Plan, Report 2017-07
- Internal Audit Department Annual Report for FY17

The Committee unanimously approved the following UNM Internal Audit memorandums:

- Alumni Association Courtyard Project
- Summary Memorandum of Form 990

There were no advisors present in the room for Advisors' Comments; therefore, there were none.

INFORMATION ITEMS:

- Libby Washburn, Chief Compliance Officer, provided her departmental report and updated the Committee regarding the status of the Department of Justice (DOJ) recommendations. UNM has entered the second year of the three year agreement, and Ms. Washburn's office completed a one-year progress report. The next progress report to the DOJ is due December 1, 2017, and the following one is due on December 31, 2017. The December 31, 2017 report will include the completion data for student training.

Ms. Washburn reported new climate surveys are complete. Francie Cordova, Director of UNM's Office of Equal Opportunity (OEO), and Heather Cowan, Title IX Coordinator at OEO provided the Committee with highlighted information from the surveys. The detailed information is available on OEO's website.

UNM's rate of sexual violence is lower than the national average, but the rate of sexual harassment and domestic partner/dating violence is a little higher than the national average. In response, OEO has started some awareness programs across campus, for instance with Student Housing. They will also be creating messaging campaigns based on survey results.

Ms. Cordova provided the Committee with requested OEO data. Inquiry/complaint numbers are increasing. There are multiple reasons for that, including increased awareness on how and where to report and trust in the reporting process. Sexual harassment continues to be the main type of allegation, and that is the standard nationally. OEO is improving results for resolving

issues at a lower level informally, versus a formal investigation. This is received positively by claimants. Also, when campus advocates are involved in the process, cases go much smoother.

Ms. Washburn updated the Committee regarding minors on campus. The task force has met three times in recent months. Her office completed a campus survey to find out the number of minors on campus each year. The results showed 15,500 children on campus per year. This does not include external school-sponsored field trips. The campus policy does not include steps or guidelines, so specialized training and certifications as well as spot checks of background checks are in process. They are drafting a new policy as well. Ms. Washburn confirmed the new policy could include a requirement for training of contractors as well as UNM staff.

- Chien-chih Yeh, Internal Audit Manager provided a status update on prior audit recommendations. The first group is the implemented recommendations that have been verified as complete by Internal Audit. As directed by this Committee, Mr. Yeh added recommendation numbering as well as total numbers of recommendations in each audit. In addition, the risk and original recommendation due dates are added to the report. The second group are pending (outstanding) recommendations that auditees are still working on, or are partially complete. Several recommendations are fairly old and need new implementation dates; however the auditees have not provided new dates.
- Director Patel provided his Internal Audit Director's Report. Director Patel reviewed the status of third party (external) audits. These resulted in very few questioned costs or findings. UNM received high praise for internal controls on contracts and grants.

The meeting adjourned at 4:07 PM.

Approved:

Audit and Compliance Committee Chairman

**INFORMATION
TO
BE
SUPPLIED
AT
MEETING**

There is no
handout
required for
this item



Compliance Office - Main Campus

UNIVERSITY OF NEW MEXICO MAIN CAMPUS COMPLIANCE PROGRAM 2018 COMPLIANCE PLAN

To further develop and strengthen a culture of compliance in 2018, the Main Campus Compliance Program will focus on the following broad risk areas described in greater detail below.

SAFETY AND SECURITY

DOJ Follow Up

In October 2016, UNM entered into an agreement with the U.S. Department of Justice (DOJ) formalizing UNM's obligations under federal civil rights laws to prevent and address sexual harassment and sexual misconduct. UNM has three years to implement the agreement, to proactively address procedures and practices related to Title IX and Title IV compliance. In 2017, the Main Campus Compliance Office oversaw the implementation process with various units, to confirm that UNM is meeting its requirements and deadlines under the agreement. This included filing of five status reports, publication of a six-month and one-year progress report, and a site visit from DOJ.

In 2018, we anticipate achieving the monumental task of educating the majority of our students through an in-person, interactive training on sexual misconduct. We also anticipate finalizing our policies involving sexual misconduct. We will conduct another climate survey in the spring of 2018. In addition, we will file at least five additional status reports with DOJ in 2018.

Minors on Campus

The safety of minors on campus who are involved in campus-sponsored functions is a serious concern. In March 2016, UNM Policy 2205 regarding Minors on Campus was adopted, to help protect the many thousands of children who visit the campus each year. In 2017, the Main Campus Compliance Office conducted extensive work with the Minors on Campus Taskforce to finalize Phase 2 of the Minors on Campus Policy. This included:

- Conducting a campus-wide survey for Minors on Campus Programs
- Creating a spreadsheet with all of the Minors on Campus Programs
- Quantifying the number of children on the UNM campus every year – approximately 19,500 children
- Revising UNM policy regarding children on the campus - UAP 2205 – Minors on Campus

- Creating a Mandatory Camp Checklist
- Meeting with UNM senior leadership to roll out the new process, procedures and policies
- Coordinating with Human Resources regarding background checks
- Creating a UNM Camp Counselor Training by the Office of Equal Opportunity
- Creating a Minors on Campus Training Certification Form
- Unannounced spot-checking of UNM summer camp programs for compliance with the Minors on Campus policy

In 2018, we will continue these important efforts. Goals for the year include:

- Convening the task force to study online registration system options for UNM Minors on Campus Programs
- Purchasing t-shirts that easily identify UNM Summer Camp Counselors
- Continue spot-checking UNM programs for compliance with the Minors on Campus Policy and procedures
- Requiring UNM departments and units to certify their camps, programs and activities involving minors are in compliance with the policy and procedures
- Creating a listserv to communicate with UNM Minors on Campus program leaders and convey important information and updates about compliance matters.

UNM COMPLIANCE REPORTING

UNM Compliance Hotline

The UNM Compliance Hotline is the main reporting system for the UNM community to make inquiries, file complaints, and report alleged misconduct and violations of laws, regulations and policies. The Compliance Hotline operates 24 hours a day, seven days a week. In March 2015, the Main Campus Compliance Office took over the Compliance Hotline from the UNM Internal Audit Department, when a new vendor was chosen and the current system was implemented. The Compliance Hotline uses EthicsPoint, a case management system provided by NAVEX Global that has the capability to accommodate allegations and document information gathered from an investigation. The Main Campus Compliance Office administers the Compliance Hotline for UNM Main and Branch Campuses, UNM Health Sciences Center, UNM Hospital, UNM Medical Group and Sandoval Regional Medical Center.

Since April 1, 2015, the UNM Compliance Hotline has logged in more than 1,800 tips, reports and complaints. In 2018, we will continue to use this hotline for reporting. We will provide benchmarking reports to the Regents, to keep them updated regarding cases coming through the hotline.

Increase Awareness about the UNM Compliance Hotline

In 2017, the Main Campus Compliance Office worked with the Communications Office and IT to communicate with all UNM students, faculty and staff to describe the channels for direct or

confidential reporting and encourage reporting of misconduct. We created communication materials and a newsletter to spread the word about the hotline. We will continue these efforts in 2018.

Protocols for Investigations

Investigation protocols serve to delineate the formal procedures for initiating investigations for a range of university compliance issues. Such protocols protect the integrity of the process as well as the rights of the person filing the complaint and the alleged offender. Currently, units and departments within UNM have procedures in place, but there are no uniform protocols when investigating concerns received through the UNM Compliance Hotline. In 2017, the Main Campus Compliance Office developed consistent investigative protocols for handling day-to-day internal investigations received through the Compliance Hotline. These protocols describe how an investigation is started, conducted, documented and how a decision is ultimately reached and communicated. The Main Campus Compliance Office will update these protocols, as necessary, to improve the integrity of the investigation process.

TRAINING

Training and education are necessary to ensure that faculty, staff and students understand applicable laws, regulations and university policies that apply to them. This is critical for an effective compliance program. Currently, UNM requires annual mandatory basic safety training and active shooter training for all employees. UNM also requires annual mandatory training focused on prevention of harassment and sexual violence. In addition, there is a one-time ethics training (that must occur within the first 30 days of employment) entitled "Ethics: A Framework for Ethical Decision Making." Additional trainings may be necessary for individual divisions and departments.

The Main Campus Compliance Office facilitated the following specialized training opportunities:

- In 2017, UNM trained thousands of employees about workplace harassment, including sexual harassment, various types of discrimination, Title IX compliance, and the Campus SaVE Act. UNM currently requires all faculty, staff, and student employees to take an online training course, "Intersections: Preventing Discrimination and Harassment," on an annual basis. This across-the-board training makes the campus safer for everyone. For the 2017 calendar year, UNM's employee training had broad participation by our faculty, staff, and student employees. Of the 13,410 UNM faculty, staff, and student employees, 12,556 individuals (93.6%) completed the required "Intersections: Preventing Discrimination and Harassment" training in 2017.
- In 2017, UNM provided interactive and intensive in-person training on the prevention of sexual harassment and misconduct, and our policies and procedures regarding Title IX complaints, to thousands of students on campus. The in-person training program, entitled "The Grey Area," is approximately 1.5 - 2 hours in length and is comprised of two

sessions – a large group session and a smaller, interactive session. In the sessions, students examine the interconnected issues of dating and domestic violence, sexual violence, bystander intervention, and consent, through a variety of discussions and supportive materials. In the spring of 2017, UNM began administering the mandatory, in-person, interactive training to all students – including freshmen, new graduate students, incoming transfer students and existing students. These trainings are offered across campus at varying times and locations.

As of January 5, 2018:

- 122 undergraduate training sessions have been completed and 15,797 undergraduates have been trained (including New Student Orientation 2015, 2016, 2017).
- 2,158 students have received the “The Grey Area” training at the Gallup, Los Alamos, Taos and Valencia branch campuses.
- “The Grey Area for Graduate and Professional Students” training sessions began in June 2017. Since then, 113 graduate and professional training sessions have been completed and 4,457 graduate and professional students were trained.
- In January 2017, the Main Campus Compliance Office engaged Dr. Chris Wilson, a nationally known professional trainer, to conduct an intensive, multi-day training session about the Forensic Experiential Trauma Interview (FETI) within the Sexual Assault Investigation Response, for approximately 50 University employees. This training enables response staff to gather evidence more effectively and accurately, by better understanding the traumatized person’s experience.
- In October 2017, the Main Campus Compliance Office provided approximately 40 University employees with a “Neurobiology of Trauma” training by Dr. David Lisak. For the past 30 years, Dr. Lisak has been the premier researcher in the area of sexual and gender-based violence on college campuses, having conducted his research through the Psychology Department at University of Massachusetts. Dr. Lisak also provided a condensed version of the “Neurobiology of Trauma” training to Interim President Chaouki Abdallah, Vice Provost Rich Wood, a member of the Board of Regents, and several staff members from the Office of the Provost.
- In November 2017, the Main Campus Compliance Office provided a half-day Internal Investigator Training for approximately 90 UNM employees.
- In January 2018, the Main Campus Compliance Office provided approximately 60 University employees with an intensive all-day training focused on Title IX, supporting respondents, sanctioning and privacy of records by nationally known trainers Gina Smith and John DiPaolo.

- On March 7, 2018, the Main Campus Compliance Office provided a half-day Whistleblower/Anti-Retaliation Training for approximately 120 UNM employees. Another training session on this important subject will be held in April 2018.

In 2018, in accordance with the Regents' guiding principles on ethical conduct, the Main Campus Compliance Office will advocate for the incorporation of additional ethics training, for management and employees, in the annual required training curriculum. The Compliance Office will work with Human Resources on this issue.

WHISTLEBLOWER POLICY

Fear of retaliation is a major reason that individuals fail to report misconduct. In implementing the Compliance Hotline, UNM adheres to a non-retaliation policy. In 2017, the Main Campus Compliance Office assisted with a revision to the University's Whistleblower Policy. On May 10, 2017, President Abdallah signed the updated Whistleblower Policy. Here is a link to UAP 2200 on UNM's Policy Office website: <http://policy.unm.edu/university-policies/2000/2200.html>. As noted above, the Compliance Office hosted a half-day training in March 2018 focused on this new policy.

INSTITUTIONAL COMPLIANCE COMMITTEE

The Chief Compliance Officer meets regularly with the Compliance Partners to discuss the potential risks in each compliance unit. These meetings serve as an opportunity for the Chief Compliance Officer and the Compliance Partners to discuss potential risks at UNM. These risks are then reviewed and discussed with the President and the Audit and Compliance Committee. The Committee met twice in 2017 and plans to meet twice in 2018.

CONTROLLED AND UNCLASSIFIED INFORMATION (CUI)

Presidential Executive Order 13556 established the Controlled Unclassified Information (CUI) program, which standardizes the way the executive branch handles unclassified information, that requires safeguarding or dissemination controls, pursuant to and consistent with law, regulations, and government-wide policies. The regulation compels each federal agency or contractor to implement programs to ensure the security (confidentiality, integrity, and availability) of information and information systems. UNM is initiating a programmatic effort to ensure our compliance with the CUI Regulations, as it applies to our operations, to leverage the new framework to streamline management of controlled information.

The Main Campus Compliance Office is spearheading this new project in conjunction with IT and other units within the University. We created a Steering Committee and Core Planning Team for UNM's Controlled Unclassified Information Compliance Program. The program also requires direct participation from UNM's data stewards. Their role will be to assist in planning the program roadmap and play a key role on one or more implementation projects.

The Core Planning Team is working with various units and departments to meet the most imminent CUI deadlines, the first of which was December 31, 2017, involving Covered Defense Information (CDI). The Core Planning Team's work is ongoing, with upcoming deadlines for the Health Insurance Portability and Accountability Act (HIPAA) and General Data Protection Regulation (GDPR). Progress updates are provided to the Steering Committee on a quarterly basis.

AMERICANS WITH DISABILITIES ACT

In May 2017, the Office of Equal Opportunity and the Main Campus Compliance Office reconvened UNM's *Americans with Disabilities Act (ADA) Task Force*. The task force will review UNM's responsibilities under Title II of the ADA, which prohibits discrimination against individuals with disabilities by public entities. The task force will meet quarterly and focus on UNM's requirements to conduct a self-evaluation and develop a transition plan.

PEER HEARINGS

In May 2017, the Compliance Office took over administration of the Peer Hearing Process for staff, from the Ombuds Office. If a Peer Hearing is requested, the Compliance Office will now be responsible for coordinating the administrative arrangements for the hearing, identifying potential Peer Review Panel members, and corresponding with the parties. We revised the University's Dispute Resolution Hearing Procedures, to reflect the change from the Ombuds Office to the Compliance Office.

ONGOING

The Main Campus Compliance Office will continue to evaluate emerging compliance trends in higher education and government and recommend best practices for UNM.

CONTACT INFORMATION

University of New Mexico Main Campus Compliance Office

Libby Washburn, Chief Compliance Officer

Peggy Davis, Administrative Officer

Phone: 505-277-3979

Email: compliance@unm.edu

<http://compliance.unm.edu>

UNM Compliance Hotline

Toll-Free Phone: 1-888-899-6092

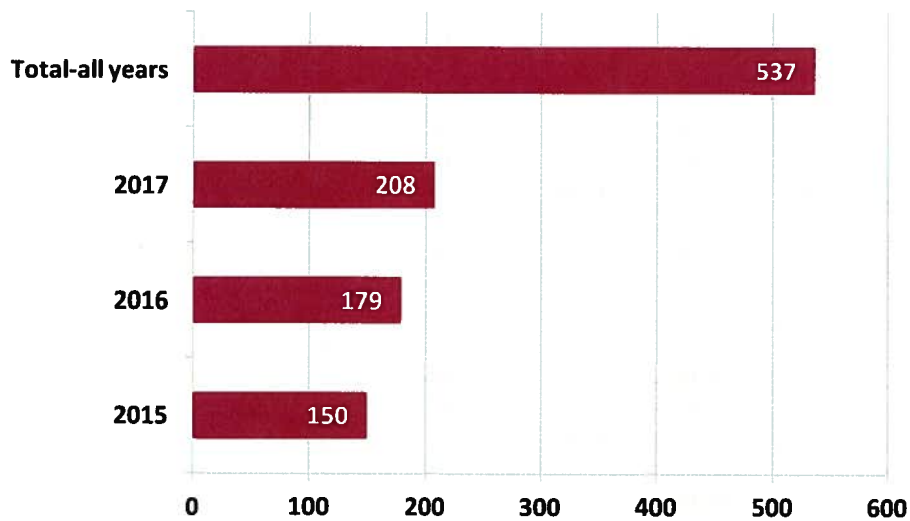
<https://unm.ethicspoint.com>

Compliance Office - Main Campus

**UNM Compliance Hotline Report
Presented to the
UNM Board of Regents Internal Audit and
Compliance Committee**

January 1, 2017-December 31, 2017 Hotline Activity

UNM Hotline-Total Cases Reported



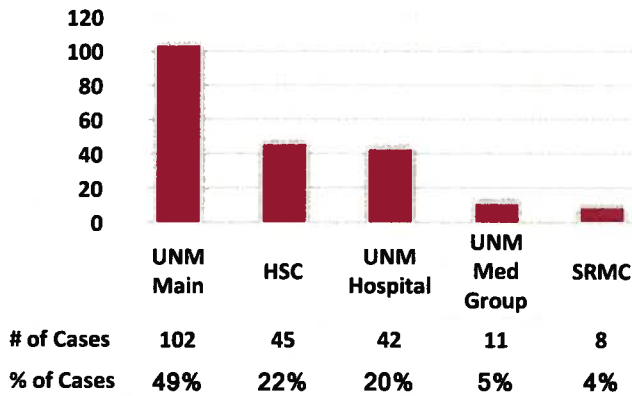
This report covers EthicsPoint Hotline statistics for UNM Main Campus, UNM Health Sciences Center, UNM Hospital, UNM Medical Group, Branch Campuses and Sandoval Regional Medical Center.

Submitted by Peggy Davis
Administrative Officer
Compliance Office-Main Campus
March 15, 2018

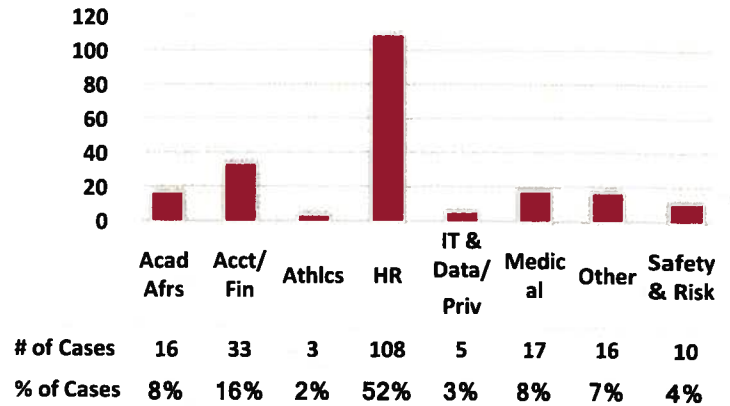
Hotline Case Summary – January 1, 2017 thru December 31, 2017

In 2017, there were a total of 208 cases reported to the Hotline and investigated on varying issues and locations. This is a 9% increase over 2016. The information below indicates the majority of cases reported in 2017 originate from UNM Main Campus, with the majority of issues falling under Human Resources related categories. The preferred method of reporting is via the Hotline web or phone platforms, with the overwhelming percentage of reporters continuing to prefer to remain anonymous.

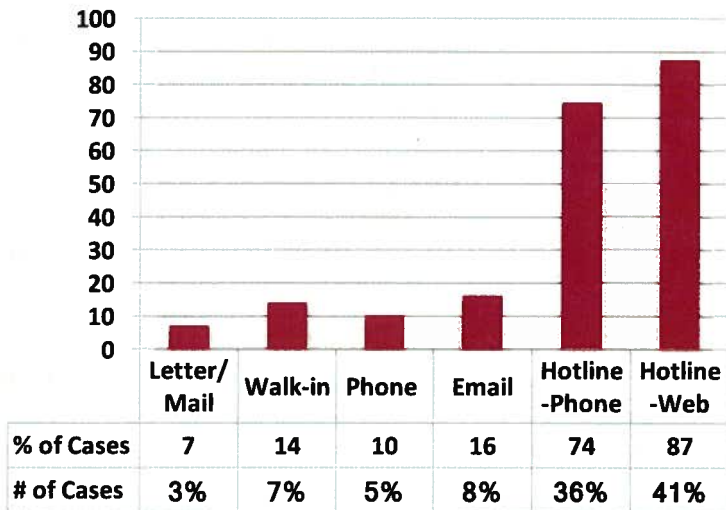
Hotline Case Locations 2017



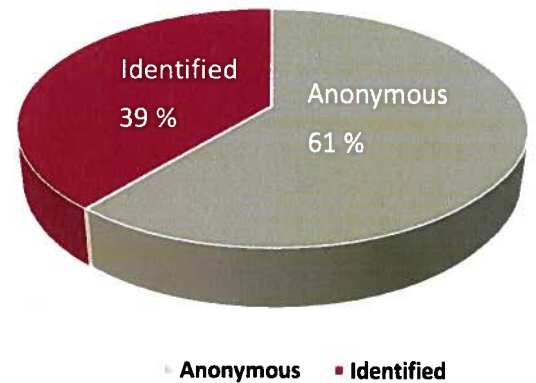
2017 Hotline Case Volume by Issue



UNM Hotline Intake Method Jan-Dec 2017



2017 Anonymous vs. Identified Reporters



Reported	# of Cases Reported	% of Cases Reported
Anonymous	126	61%
Employee	60	28%
Former Employee	2	1%
Student	6	3%
Vendor	1	.5%
Patient	7	3.5%
Other	6	3%
TOTAL	208	100%

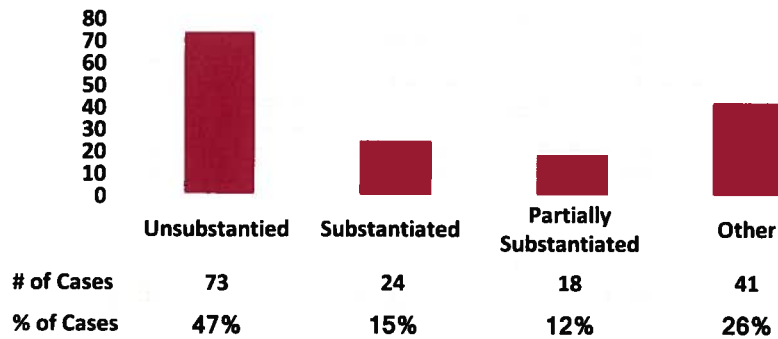


37 – Staff-Administrative
 10 – Staff-Technical/Trades
 6 – Staff-Medical
 7 – Faculty

Summary of Substantiated, Partially Substantiated and Unsubstantiated Cases

Of the 208 cases reported to the UNM Hotline in 2017, 156 cases have been investigated and closed, resulting in a 75% closure rate for cases reported in 2017. The information below highlights the outcomes on these closed cases. It is important to note, with EthicsPoint reporting an average of 41% for unsubstantiated cases for all of 2016, UNM's unsubstantiated rate for 2017 is 47%, a 5% improvement over the first six months of this year. There are 52 cases for 2017 open and being investigated at the time of this report.

2017 Case Outcomes - 156 Closed Cases

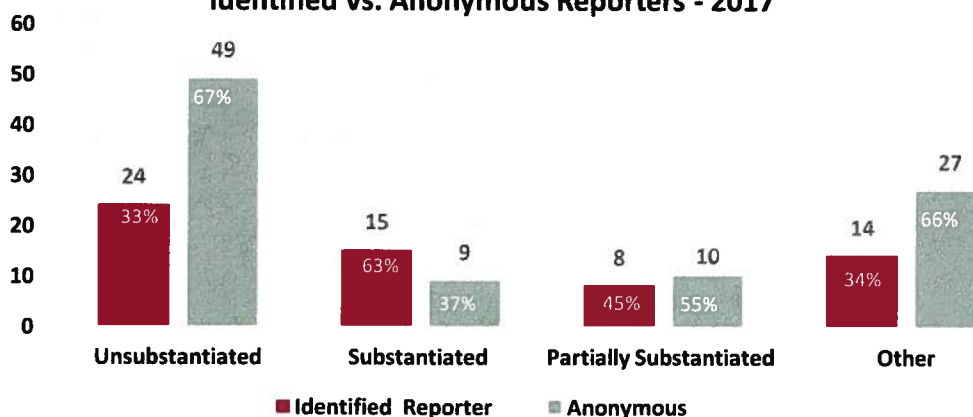


Actions Taken on Substantiated and Partially Substantiated Cases in 2017

Outcome	Summary of Action Taken
Substantiated – 24 cases	16 – Discipline 5 – Correction of Policy/Policy Review 2 – Executive Resolution 1 – Training
Partially Substantiated – 18 cases	5 – Discipline 6 – Correction of Policy/Policy Review 1 – Executive Resolution 5 – Training 1 – No Further Action Necessary

In response to an inquiry regarding the August 2017 Hotline report, an analysis was conducted to see if there is a correlation between anonymous reporting and unsubstantiated cases. Based upon this review, there is an indication that cases where reporters identify have a slightly higher rate of substantiation than cases where the reporter is anonymous. This trend will continue to be monitored and reported on in future reports.

Case Outcomes - 156 Closed Cases Identified vs. Anonymous Reporters - 2017

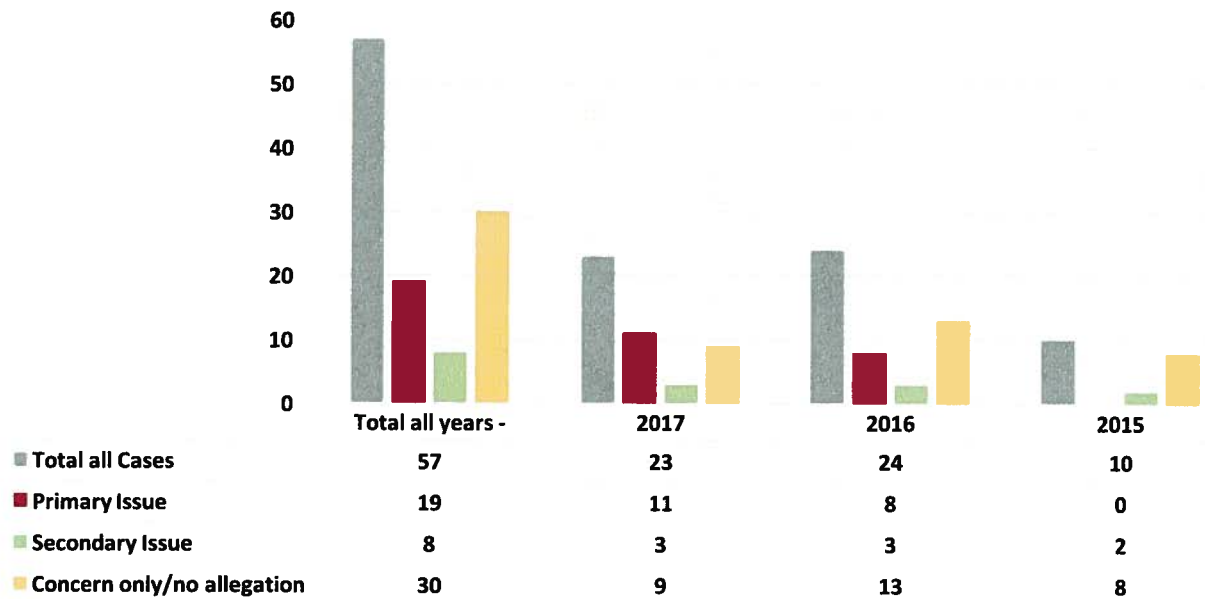


Reported claims of Retaliation –

With the adoption of the updated *UAP Policy 2200: Reporting Suspect Misconduct and Whistleblower Protection from Retaliation* in May 2017, UNM reinforced its commitment to ensuring the highest ethical and professional standards. In doing so, UNM has placed its full commitment to protecting members of the University community who report suspected misconduct or who cooperate with an investigation from acts of retaliation.

The information below focuses on retaliation claims submitted to the EthicsPoint Hotline, with attention to cases that state a primary or secondary issue of retaliation. The chart also distinguishes between actual claims of retaliation and reporters who only note a concern or fear of retaliation for filing a complaint. The information below reflects retaliation claims on all 537 cases that have been received at the EthicsPoint Hotline since April 2015.

Cases Indicating Retaliation 2015 - 2017



Outcome of 57 Cases Reporting Retaliation

	Substantiated	Partially Substantiated	Unsubstantiated	Insufficient Info	Withdrawn	Resolved	In Process
Primary Issue	1	3	8	0	1	1	5
Secondary	0	1	7	0	0	0	0
Concern/Fear	0	0	23	1	2	0	4
Total	1 or 2%	4 or 7%	38 or 67%	1 or 2%	3 or 5%	1 or 2%	9 or 15%

Action Taken on Substantiated and Partially Substantiated Claims of Retaliation

Substantiated – 1 case	1- Correction of Policy Violation-no further action necessary
Partially Substantiated – 4 cases	4- Correction of Policy Violation-no further action necessary

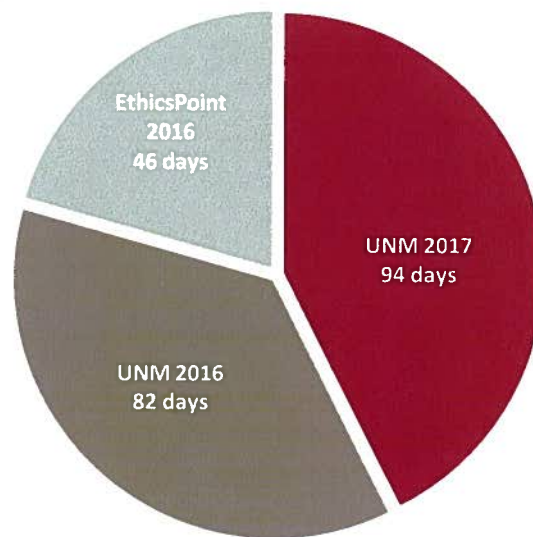
The information provided above indicates that while there are 57 total cases noting retaliation, only 27 of those represent primary or secondary claims of retaliation and a total of 5 were determined to be substantiated or partially substantiated. This is an important issue that will continued to be closely monitored and updated fully in future reports.

Overall Average Case Closure Rates

The chart below reflects the average number of days to close a case in 2017, compared to the UNM 2016 total average and the average rate reported by EthicsPoint 2016 Statistics. The benchmark statistics for 2017 activity from NAVEX/Global were not available in time to be included in this report.

It's important to note, the closure rate percentage includes cases closed in the Hotline that may have been carried over from previous years. These cases can skew closure percentages. The chart below indicates that UNM's closure rate is high in 2017 in comparison to 2016 statistics. However, the rate has dropped by 2 days since the 6-month report prepared in August, 2017. Currently, EthicsPoint benchmarking data include statistics of all subscribers of their system who enter 10 or more reports a year. The Main Campus Compliance Office is exploring options for receiving benchmarking statistics that provide information only from other university and college subscribers.

Case Closure Rate Comparison



There are some factors that contribute to case closure rates that should be taken into consideration when reviewing these statistics. A high rate of report volume and cases with complex issues involving multiple departments with limited resources can cause a case to remain open past the 45-day open-to-close goal. There have been many complicated cases closed in the last quarter of 2017 and it is anticipated the 2018 closure rate will recognize an improvement of this statistic. To support this, for the first two months of 2018, UNM's average time to close is 62 days which is a marked improvement. This will continue to be monitored on a monthly basis in 2018.

There is no
handout
required for
this item

**Follow Up Report - Implemented (sort by project)
March 2018 Open Session**

No	Project Name	Report Approval Date, # of Recommendations, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Original Estimated Implementation Date	Revised Estimated Implementation Date	Recommendation Action	Responsible Party
1	<u>Safeguards for Protecting Private Data-Service Providers and Contractors</u>	10/25/2013, 3, H	<u>Recommendation 1 - UNM Information Security Program</u>	The CIO needs to implement the UNM Information Security Program University-wide.	Concur. The CIO will continue implementation of the Information Security Program with the advisory structure approved by the President. The CIO submitted a recommendation to the IT Governance Council UNM Policy 2560 (President, EVPs, and Chancellor) to create a University wide security council. The existing and operational UNM Information Security Program will be assigned to the appropriate advisory structure.	12/1/2013	8/31/2017	The Information Security Program is available on the UNM IT Security website. UNM IT has proposed a charter for a UNM Security Council that will provide ongoing oversight of the Information Security Program. Internal Audit reviewed the UNM Security Council Charter, which was approved by the IT Executive Council on 10/18/17. Internal Audit will close this finding and monitor the continuing progress.	Duane Ej Arruti, Chief Information Officer
2	<u>Safeguards for Protecting Private Data-Service Providers and Contractors</u>	10/25/2013, 3, H	<u>Recommendation 2 - University Information Security Function</u>	The President should give the CIO the explicit authority and responsibility to manage information security University-wide, including the decentralized computing services. The President should also ensure that the CIO has the budget to develop, implement, and enforce security policies.	Concur. The President's Office is working with the EVP for Administration, the Provost and EVP for Academic Affairs, and the Chancellor for Health Sciences on the appointment of an appropriate advisory structure. We will work with the EVP for Administration and the CIO to evaluate whether this office has sufficient budget and authority to develop, implement, and enforce security policies. The Information Security Office, through the CIO, has established a security management reporting mechanism.	12/31/2013	8/31/2017	The Information Security Program is available on the UNM IT Security website. UNM IT has proposed a charter for a UNM Security Council that will provide ongoing oversight of the Information Security Program. Internal Audit reviewed the UNM Security Council Charter, which was approved by the IT Executive Council on 10/18/17. Internal Audit will close this finding and monitor the continuing progress.	Duane Ej Arruti, Chief Information Officer
3	<u>Payroll Follow-Up Audit</u>	8/18/2015, 10, M	<u>Recommendation 1 - Payroll Adjustment Codes</u>	The University Controller's Office should revise the adjustment code forms and explanations of the causes of the adjustments to clarify the causes, conditions, and responsible parties creating the adjustments.	Payroll will work with HR and EDCs to identify the needed enhancements. Payroll will work with FSMIT to add the enhancements to the report. Payroll will assess options for notifying departments of their adjustments.	6/30/2016	12/31/2017	The Payroll Department has developed a reporting tool for tracking and monitoring payroll adjustments. The reporting system has two distinct parts: 1) The adjustment code generator which must be filled out with department, employment center, type of employee, and adjustment category; 2) The payroll adjustment portal uses the data from the adjustment code generator to analyze, monitor, and assess adjustments and take corrective action where needed.	Elizabeth Metzger, University Controller; Julian Sandoval, Chief Financial Svcs Officer
4	<u>Payroll Follow-Up Audit</u>	8/18/2015, 10, M	<u>Recommendation 2 - Payroll Adjustment Late Paperwork Training</u>	The University Controller's Office should develop mandatory training on business practices, required processes, and meeting deadlines aimed at reducing late filing of employment paperwork, EPAFs, payroll adjustments, and employee accounts receivable.	Payroll will work with HR and EDCs to improve communication and training. Adjustments are very heavily tied to the initial job setup. HR and the EDCs will need to partner with Payroll to provide the applicable training for each step of the required processes, and support from the University Provost will be needed to include Deans and Chairs in the mandatory training.	6/30/2016	12/31/2017	The Payroll Department has developed and provided training classes for the adjustment code generator and the payroll adjustment portal for employees involved in payroll processing, including employment area leads, HR department personnel, and department payroll personnel.	Elizabeth Metzger, University Controller

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5	<u>UNM Press Business Processes</u>	3/31/2017, 4, H	<u>Recommendation 2 - Ongoing Debt</u>	The University Senior Leadership Team should provide stronger guidance as to how the Press is going to balance its budget and how much subsidy the University is going to provide, if any, to keep the UNM Press a viable entity; or, in the alternative, if the Press should continue to operate.	A subsidy budget proposal is currently under consideration by the BLT committee.	7/31/2018	7/31/2018	IA Director informed that Interim President reported to BOR in January 2018 that \$350,000 would be extended to UNM Press.	David Harris, Executive Vice President
6	<u>SHAC Pharmacy</u>	10/18/2017, 8, M	<u>Recommendation 2 - QS1 Access Concerns</u>	SHAC should establish policies for assigning user access, changing user access and permissions, and editing data in the QS1 system. The QS1 administrator should immediately remove update access for all users except pharmacy personnel who may need this access to perform their duties as pharmacists. The SHAC Associate Director and the QS1 administrator should review the job duties of all non-pharmacy users and then assign QS1 access as necessary for non-pharmacy users to perform their job duties.	Policies for user access to QS1 systems are currently in development with COP consultants and will be finalized with the new Pharmacy Manager input. All access policies and procedures will be reviewed for both systems during this process to verify compliance with UNM policy and Hybrid Entity standards as identified in the pending risk assessment. The SHAC Oversight Committee will review and grant access based on duties as outlined in this policy, with annual reviews brought before it by the Pharmacy Manager. UNM Internal Audit notified the SHAC System Administrator that QS1 levels of security were not compliant for different levels of access based on job requirements in April 2017. Working with QS1 support, this was corrected on 5/1/2017.	4/1/2018		SHAC has established a new user accounts policy and permissions list related to QS1. IA tested a sample permission and found that access rights were adjusted as recommended. The recommendation is cleared.	James Wilterding, Exec Dir, Student Hlth & CnsIng
7	<u>SHAC Pharmacy</u>	10/18/2017, 8, M	<u>Recommendation 6 - Employee Discount Concerns</u>	The SHAC Pharmacy should immediately discontinue the "Working Man" discount for SHAC employees.	All employees in the Pharmacy have been informed to discontinue the practice. The Associate Director has written a policy prohibiting employee discounts and the use of "Working Man" in QS1. The policy is in "Policy Manager" for employees to attest on a yearly basis. Annual attestation and ongoing compliance with this change will be monitored by the Pharmacy Manager and the Associate Director. The Pharmacy Manager will be tasked with monitoring this on an ongoing basis. Additionally, the COP Consultant Group is developing a self-pay prescription-pricing program.	10/5/2017		IA verified that SHAC discontinued the discount as recommended.	James Wilterding, Exec Dir, Student Hlth & CnsIng

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8	<u>SHAC Pharmacy</u>	10/18/2017, 8, M	<u>Recommendation 7 - Cash Drawer Concerns</u>	The SHAC Associate Director should develop and implement a policy that designates one SHAC Pharmacy employee per shift to have sole control, custody and responsibility for the money in their cash drawer.	The following actions are being taken to address this issue: The associate director has purchased a new cash register for the pharmacy that connects cash transactions with QS1, streamlining accounting and reconciliation processes. The system has 2 stackable cash drawers – providing the capability for two employees to each run the register during periods of peak activity, an option important for work flow in the pharmacy. Employees working the register will be assigned one of the two drawers and tracked in the system via a card-swipe access process for ease and accuracy. This meets the recommendation for a sole employee having control, custody and responsibility for each drawer.	4/1/2018		SHAC has developed and implemented a policy as recommended. Recommendation is cleared.	James Wilterding, Exec Dir, Student Hlth & Cnsing
9	<u>LGBTQ Financial Operations</u>	10/18/2017, 10, H	<u>Recommendation 1 - Financial Review and Budget Process</u>	The Provost's Office should work with DEI management to strengthen internal controls over the Center's financial review and the budget process.	The LGBTQ Resource Center will engage in an agreement with the Fiscal Shared Service Center to facilitate the monitoring and reconciling of the unit's accounts. This would include the following: Develop multi-year forecasts for strategic planning purposes, which will be used to monitor and reconcile annual budgets; Review operating ledger reports monthly and verify all entries posted are in compliance and in alignment with the unit's annual budget; hold Monthly meetings with the director (or designated manager of the Resource Center) and the fiscal advisor of the Fiscal Shared Service Center to discuss monthly fiscal transactions, budget adjustments, and other fiscal related activities; Work with Resource Center director on annual fiscal reporting efforts, including budget development; Provide guidance around fiscal University policies and procedures, and serve as a backup processor for fiscal transactions.	10/31/2017		The LGBTQ Resource Center entered into an agreement with the Academic Affairs Fiscal Shared Service Center in August 2017 to facilitate the monitoring and reconciliation of center's accounts. Internal Audit verified implemented corrective action by reviewing the revised Shared Service Agreement which clearly explains the Shared Services responsibilities. Internal Audit also reviewed the following to verify the implementation of management's financial oversight: the Multi-year forecast through 2022; monthly reconciliation for January 2018; minutes for quarterly and monthly meeting held with DEI VP on 2/21/18; and approval for budget adjustments.	Melissa Vargas, Strategic Planner; Lawrence Roybal; Nicole Christine Dopson

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10	<u>LGBTQ Financial Operations</u>	10/18/2017, 10, H	<u>Recommendation 2 - Unallowable/Questioned Financial Transactions</u>	The Provost's Office should work with DEI to strengthen internal controls over P-Card purchases to eliminate unallowable/questioned financial transactions, including obtaining preapproval from management for any P-Card exceptions to allowable costs.	The VP for DEI will institute a practice of personally conducting a thorough review of P-Card transactions with the manager of the Center and the Fiscal Services Center designee. With the Director of the Fiscal Services Center, the VP for DEI will develop a list of allowable expenses and those that need prior approval for not only the Center but all DEI employees. All expenditures that require special exceptions from the P-card or central accounting offices must have prior VP approval. This includes but is not limited to travel, food, supplies over \$100, and event expenses. The VP for DEI will require the Center program specialist/education coordinator to provide in advance a monthly schedule of events, projected expenditures and their funding source for review and approval.	10/31/2017		DEI Management implemented a "Expense Request Form" for all purchases, which must be reviewed and approved by the VP of DEI prior to the purchase. The approved form is uploaded into Chrome River with receipt and backup documentation. The same process implemented for all travel, however using a travel pre-approval form.. Internal Audit selected FY 2018 purchases for testing and noted purchases were pre-approved using the "Expense Request Form" and were properly approved in ChromeRiver by the DEI Manager. Internal Audit also reviewed the monthly schedule of events for January 2018 through May 2018, which was prepared by DEI Management.	Melissa Vargas, Strategic Planner
11	<u>LGBTQ Financial Operations</u>	10/18/2017, 10, H	<u>Recommendation 4 - Management Oversight of LGBTQ Resource Center</u>	The Provost's Office should work with DEI to develop a process to ensure that Equity and Inclusion management is providing adequate oversight of their departments, including but not limited to, approving and monitoring budgets and financial transaction, approving leave requests, and implementing and enforcing internal controls.	DEI management will work with Fiscal Shared Services to develop a review process for departments that report to DEI. This process will include the following: Quarterly meetings to discuss each unit's budget Provide DEI management access to Resource Center's multi-year forecasts (used to monitor and reconcile annual budgets). Each unit will be required to provide a report demonstrating actual expenditures compared to the original budget. All budget adjustments will require pre-approval from DEI management prior to processing the budget revision adjustments. All fiscal transactions for travel and special exceptions to policy UAP 4000 will require pre-approval by DEI management. This approval will be documented by a written memo or email detailing the University business purpose. All PCard statements will be accessible through Chrome River to DEI management for review on a monthly basis.	3/5/2018		The Provost's Office worked with DEI Management and has implemented several processes to improve management oversight of the LGBTQ Resource Center. The LGBTQ Resource Center entered into an agreement with the Academic Affairs Fiscal Shared Service Center in August 2017 to facilitate the monitoring and reconciliation of center's accounts. Internal Audit reviewed the revised Shared Service Agreement which clearly explains the Shared Services responsibilities. Internal Audit also reviewed the following to verify the implementation of DEI's management's oversight of the Resource Center: Expense Request Form for all purchases; the Multi-year forecast through 2022, monthly reconciliation for January 2018; minutes for quarterly and monthly meeting held with DEI VP on 2/21/2018; approval for budget adjustments; and "Annual Leave Request" form.	Melissa Vargas, Strategic Planner; Lawrence Roybal; Nicole Christine Dopson

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12	<u>LGBTQ Financial Operations</u>	10/18/2017, 10, H	<u>Recommendation 5 - Account Coding</u>	The Provost's Office should work with DEI management to ensure PCard reviewers for the Center's PCardholders are conducting thorough reviews of PCard activity.	The VP for DEI will institute a practice of personally conducting a thorough review of PCard transactions with the manager of the Center, including designating which type of purchases require pre-approval from the VP. In particular, requiring pre-approval by the VP those transactions that require a special exception from the PCard or Accounting offices.	10/31/2017		Internal Audit selected purchase transactions for testing and noted all transactions were recorded to the correct account code.	Melissa Vargas, Strategic Planner; Lawrence Roybal; Nicole Christine Dopson
13	<u>LGBTQ Financial Operations</u>	10/18/2017, 10, H	<u>Recommendation 6 - Shared P-Card</u>	The Provost's Office should work with the UNM Dean of Students to take appropriate action to train Women's Resource Center employees on proper PCard procedures and work to minimize the risk of unallowable PCard transactions and PCards being lost or stolen.	The Dean of Students will verbally counsel the Women's Center Program Specialist on the issues and policy associated with sharing her PCard information with others. Additionally, the Program Specialist and all holders of a PCard in the Dean of Students Office will be required to re-take the PCard training.	10/31/2017		Internal Audit verified the Women's Center PCardholder recently completed the PCard online training class as directed by the Dean of Students.	Melissa Vargas, Strategic Planner; Nasha Torrez
14	<u>LGBTQ Financial Operations</u>	10/18/2017, 10, H	<u>Recommendation 7 - Cash Management</u>	The Provost's Office should work with DEI to ensure Center management and staff that handle cash or checks take the Cash Management training and implement internal controls to ensure that deposits are made by the next working day.	All Resource Center employees should take (or re-take if already taken) the Cash Management training through Learning Central. This will be a required training for all staff in the Resource Center and will be documented as required training on all staffs' annual performance evaluations.	10/31/2017		The DEI Manager is now the only individual that receives cash receipts for the LGBTQ Resource Center. Internal Audit verified the cash management training completed by the DEI Manager.	Melissa Vargas, Strategic Planner; Lawrence Roybal
15	<u>LGBTQ Financial Operations</u>	10/18/2017, 10, H	<u>Recommendation 8 - Participant Incentives</u>	The HSC Senior Executive Officer should work with the HSC Department of Family and Community Medicine to ensure payments to employee participants for UNM events comply with UAP 2480 and 2170, regardless of amount.	The HSC Senior Executive Office, Financial Services staff will meet and work with Family and Community Medicine administrative staff to ensure payments to employee participants comply with UAP 2480 and 2170. The new Chrome River implementation has been programmed to not allow honorarium payments to employees and a report has been developed to identify employees receiving participant payments to ensure proper reporting.	10/31/2017		Internal Audit reviewed the policy implemented by Family and Community Medicine regarding participant incentive payments and noted reports are now generated for participant incentive payments to ensure proper reporting. Chrome River was also reviewed to ensure honorarium payments cannot be made to UNM employees, as required by UAP 2170.	Ava Lovell, Exec Ofcr Fin & Admin/HSC, Sr
16	<u>LGBTQ Financial Operations</u>	10/18/2017, 10, H	<u>Recommendation 9 - Bookstore Purchases</u>	The LGBTQ Resource Center should review their spending, cut non-essential spending, and develop a process to control bookstore expenditures with a recorded valid business purpose.	The Shared Service Center will work with DEI management to review UNM Bookstore spending and make a recommendation on areas to reduce this spending. Only basic office supplies and minor office equipment should be purchased through the Bookstore. Any purchase beyond basic office supplies/equipment should require DEI management pre-approval (gift cards, promotional items, etc.). DEI management will require all Bookstore purchases to be documented through the Bookstore receipt with a noted valid UNM business purpose.	10/31/2017		DEI implemented a purchasing request form for all purchases including the UNM bookstore, which is reviewed and approved by the VP of DEI prior to the purchase. All receipts are filed with all other purchase receipts by the DEI manager. Internal Audit reviewed an approved "Expense Request Form" for laptop computers purchased at the Bookstore.	Melissa Vargas, Strategic Planner; Lawrence Roybal; Nicole Christine Dopson

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1	<u>Review of College of Arts and Sciences Operations</u>	4/18/2013, 4, H	<u>Recommendation A: Implementation of Process to Track Research Activities</u>	A process should be implemented that enables colleges to effectively track and monitor time that faculty members spend on research activities to help management determine if faculty members are meeting academic load requirements and workload guidelines.	To track faculty research activities, an RFP was created for the purchase of a scholarly productivity subscription service, which will have the ability to track faculty research activities. Actual implementation of the software is expected to be completed by December 15, 2015.	6/30/2013	6/30/2017	50%	This project was initially headed by Dr. Greg Heileman. Internal Audit needs to determine the successor to the project, and the status of completion.	Provost
2	<u>Safety and Risk Services</u>	11/5/2015, 18, H	<u>Recommendation 18 - Chemical Purchases and Perpetual Inventory</u>	The Executive Vice President for Finance and Administration, Executive Vice President for Academic Affairs/Provost, and the Chancellor for Health Sciences should work with the Director of Safety and Risk Services to determine the best course of action to ensure that all chemicals purchased are properly and accurately inventoried via the ERM system. Two considerations might be that all chemical purchases are only allowed to be made via CRLS or LoboMart, or that SRS be the central receiving point for all chemical purchases made outside of CRLS.	A. EVP for Finance and Administration: I will work with the VP of ISS to insure that those areas coordinate with SRS to insure that chemical purchases are recorded in ERM. I will also work with Purchasing to secure their cooperation in working with SRS to make purchasing through ERM as streamlined as possible. Lastly, I will work with SRS to assist them in becoming the central receiving point for all chemical purchases made outside of CRLS. B. EVP for Academic Affairs/Provost: With the Risk Management, Academic Affairs will issue a memo detailing compliance requirements. C. Chancellor for Health Sciences: The Health Sciences Center agrees with the Internal Audit finding and recommendation to work with SRS to accurately inventory chemical purchases in the ERM. The HSC will work with SRS to complete the installation of inventory control processes with bar codes which is being implemented at all HSC labs. The systems are being put in place at the request of SRS over the past year to address this issue.	12/31/2016	12/31/2016	75%	Cleared - Item B - SRS sent a memo on behalf of the Provost to the Deans of each college informing of the recommendation and requesting that they send a list of all persons that make chemical purchases to SRS. Item A - SRS has been conducting an ongoing chemical inventory throughout main campus to ensure that chemicals are properly updated to ERM. In addition, CRLS has been consistently applying bar codes and sending a list to SRS of chemicals to ensure that ERM is properly updated. With regard to the portion of the response addressing a central receiving area at SRS, that has not been determined at this time and is currently the only portion of this item that is left to be addressed/completed. Cleared - Item C (HSC lab inspections) - IA accompanied SRS on lab inspections at the College of Pharmacy in November 2017. Three labs were inspected. In all of the labs, chemicals were properly labeled with an ERM bar code, all lab personnel that were asked knew what ERM was and had been trained. IA considers HSC/north campus labs to be in compliance with ERM. No further test work/lab inspections are necessary to clear this portion of the recommendation.	David Harris, Executive Vice President; Paul Roth; Provost
3	<u>SHAC Pharmacy</u>	10/18/2017, 8, M	<u>Recommendation 1 - HIPAA Security Rule</u>	SHAC Management should work with UNM IT and the HIPAA Privacy Officer to resolve noncompliance with the HIPAA Security Rule.	UNM is a hybrid entity, meaning that it must comply with both HIPAA and FERPA. The risk assessment is a standard way of evaluating both processes and connectivity to verify that SHAC meets all requirements and best practices to minimize risk of data breaches and demonstrate compliance with relevant regulatory bodies. Additionally, SHAC's strategic business plan involves the expansion of services that will require ongoing compliance with the HIPAA security rule. Shortly after SHAC engaged UNM Internal Audit, and prior to any recommendations, the executive and associate directors engaged UNM IT and Compliance representatives to begin discussions on this issue.	10/31/2018		35%	SHAC: A firm has been engaged to provide a risk assessment for all main campus entities handling PHI. Under IT oversight, SHAC is participating in this risk assessment and has had extensive meetings with CLA consultants during the month of January 2018, in which current practices and policies have been reviewed. SHAC is awaiting this detailed report and will address the issues brought forth in a prioritized manner. The Information Technology Officer for the Division of Student Affairs will be involved in an ongoing manner as an additional liaison between SHAC and UNM IT.	James Wilterding, Exec Dir, Student Hlth & Cnslng

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4	SHAC Pharmacy	10/18/2017, 8, M	<u>Recommendation 3 - QS1 Change Control Concerns</u>	SHAC management should develop a change management policy and procedure. This policy and procedure should plan to govern and monitor the service pack installations and correct any issues in a timely manner.	The SHAC IT System Administrator has already set up a QS1 test server as recommended. Going forward, system updates will be performed in this test environment which will provide the ability to run test scenarios before applying the updates to the production server. SHAC will develop a testing protocol, in consultation with COP and the software vendor, to ensure completeness and accuracy of the process. The COP Consultant Group has been working with the QS1 Systems and Cardinal (wholesaler) Account Representatives on a series of system and inventory management updates.	4/1/2018	10/31/2018	85%	SHAC: we are on schedule for completion of this recommendation. IT has created and is utilizing a "test environment" for QS1. A QS1 Change Management form has been developed and is being utilized. They are awaiting the CLA Risk Assessment recommendations before finalizing the primary change management policy. SHAC requested a revised completion date of October 2018, along with Recommendation 1, as this item relates to the Risk Assessment findings as well.	James Wilterding, Exec Dir, Student Hlth & CnsIng
5	SHAC Pharmacy	10/18/2017, 8, M	<u>Recommendation 4 - Data Center Fire Suppression Concerns</u>	SHAC management should consider the costs, benefits and feasibility of installing a fire suppression system in their data center.	UNM Physical Plant Department is working on an assessment on the costs, benefits and feasibility of installing a fire suppression system. A review of this will also be included in the CLA risk assessment being planned. SHAC's facility has had few structural upgrades since the 1960's, and does not include a fire suppression system. Regarding catastrophic loss, our strategy has been to rely on the building fire detection system, temperature sensitive alarms that notify staff 24/7 if the room housing the server goes out of range, and most importantly, meticulously maintaining backups of all data (both clinical and business systems), including the storage of backup tapes offsite.	4/1/2018	10/31/2018	50%	SHAC: we have worked with UNM IT to provide plans, scope of work, and an estimate for a fire suppression system, which is approximately \$25,000. The Executive Director has placed any action on this on hold until the final CLA Risk Assessment report is completed, as an alternate solution, involving multiple UNM entities may provide a better and more cost-effective solution. Simply installing an onsite fire suppression system alone is not likely to meet HIPPA standards for disaster recovery. SHAC requested a revised completion date of October 2018, along with Recommendation 1, as this item relates to the Risk Assessment findings as well.	James Wilterding, Exec Dir, Student Hlth & CnsIng
6	SHAC Pharmacy	10/18/2017, 8, M	<u>Recommendation 5 - Data Center Security Policy Concerns</u>	SHAC management should develop a written data center security policy.	A comprehensive policy is currently under formulation, with reference to the noted resources above. It may also be informed by the planned risk assessment that is to be completed next year.	4/1/2018	10/31/2018	95%	SHAC has completed its data center access and security policy. SHAC: we anticipate additional recommendations for this policy upon completion of the ongoing security assessment. SHAC requested a revised completion date of October 2018, along with Recommendation 1, as this item relates to the Risk Assessment findings as well.	James Wilterding, Exec Dir, Student Hlth & CnsIng

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7	<u>SHAC Pharmacy</u>	10/18/2017, 8, M	<u>Recommendation 8 - Reconciliation Concerns</u>	The SHAC Associate Director should ensure that a reconciliation of insurance proceeds to QS1 is performed monthly. The SHAC Associate Director should train the fiscal staff performing the reconciliations regarding the various reimbursement methodologies, such as negative reimbursements.	SHAC is working with the College of Pharmacy (COP) to look into all of these possibilities as follows: COP consultants are reviewing and reconciling all payments using the remittance advice (835 hard copy) from October 2016 to June 2017, which will allow SHAC fiscal services to verify current reimbursement rates and identify other issues around reimbursement as noted above. COP has recently been through contract reviews with other UNM pharmacies and has the expertise to guide this process. UNM legal counsel and procurement will be engaged as well. Implementing new contracts may require 12 to 18 months.	4/1/2019		65%	SHAC: Fiscal Services staff trained in QS1 reconciliation on Nov. 10, 2017 by COP, and started Pharmacy reconciliation effective November 13, 2017. Currently, performing reconciliation through a manual process. The Pharmacy Manager is working with PBM's to provide electronic 835 file. COP is working with PBM's and UNM Purchasing to negotiate new contracts.	James Wilterding, Exec Dir, Student Hlth & Cnsing
8	<u>LGBTQ Financial Operations</u>	10/18/2017, 10, H	<u>Recommendation 3 - Scholarship Process</u>	The Provost's Office should work with DEI to ensure that the Center develops a scholarship process in compliance UAP 2335: Departmental Scholarships.	The Provost's office will work with DEI to establish a standard protocol based on UAP policy for awarding all scholarships. Specifically, the criteria for awarding will be developed and a page added to the LGBTQ website that addresses and advertises all scholarship opportunities.	10/31/2017		80%	DEI Management is in the process of finalizing a similar scholarship award process which complies with UAP 2335: Departmental Scholarships and aligns with other department processes. The Provost Office believes the full written process will be completed by March 31, 2018.	Melissa Vargas, Strategic Planner; Lawrence Roybal
9	<u>LGBTQ Financial Operations</u>	10/18/2017, 10, H	<u>Recommendation 10 - LGBTQ Reserved Parking Space</u>	The Provost's Office should review the cost and use of the Center's reserved parking space and determine if the Center should eliminate the cost of the reserved parking space.	The Interim Vice President will terminate the reserved parking space immediately as well as assign a staff member to log distribution of and business purpose for use of daily parking passes.	10/31/2017		90%	Management indicated that the reserve parking permit is renewed on an annual basis and runs from the Fall to the end of the summer sessions. The Resource Center was charged the annual fee in August 2017 and currently occupies the reserved parking permit. However, the DEI Manager has requested that the permit not be renewed at the end of the annual period. Therefore, formal termination of the parking permit will be at the end of the Summer 2018 session. An extension for full implementation has been requested, and granted, to August 31, 2018.	Melissa Vargas, Strategic Planner; Lawrence Roybal

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No	Project Name	Report Approval Date, # of Recommendations, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Original Estimated Implementation Date	Revised Estimated Implementation Date	% of Progress	Recommendation Action/Last Status Update	Responsible Party
1	<u>PPD Remodel and Two Bears Construction Contracts</u>	3/31/2017, 16, H	<u>Recommendation 1 - Non-Compliance with UNM Policies</u>	The Vice President for ISS should: Consult with Human Resources to address personnel issues regarding paying for contracted services not received and making decisions that are not in the best interest of the University. Issue appropriate disciplinary actions for the PPD Remodel Manager and PPD Facilities Maintenance Manager in accordance with UAP 3215: Performance Management. Consult with University Counsel regarding payment of funds to Two Bears Construction for services not performed at RVA. The additional cost paid to BCH Construction for completing the stairwells at RVA was \$42,000.	We will consult with Human Resources to address the personnel issues and move forward with appropriate disciplinary actions by March 15, 2017. Additionally, we will consult with University Counsel regarding the payment of funds to Two Bears Construction for services not performed at RVA.	3/15/2017	10/31/2017	100%	a. The Vice President for Institutional Support Services terminated the PPD Remodel Manager on March 2, 2017 due to his actions of paying for contracted services not received and making decisions that were not in the best interest of the University. The PPD Facilities Maintenance Manager was also issued a suspension on March 16, 2017 for approving the payment of contracted services not received and making decisions that were not in the best interest of the University. In process: b. The VP for Institutional Support Services met with University Counsel on multiple occasions to discuss collection from Two Bears Construction regarding the payment for service not performed at the Redondo Village Apartments.	Chris Vallejos, Avp, Bsn Plng & Svcs/Iss
2	<u>PPD Remodel and Two Bears Construction Contracts</u>	3/31/2017, 16, H	<u>Recommendation 1 - Payment for Services Not Received</u>	The Interim PPD Director should: Consult with Human Resources to address personnel issues regarding paying for contracted services not received and making decisions that are not in the best interest of the University. Issue appropriate disciplinary actions for the PPD Remodel Manager and PPD Facilities Maintenance Manager in accordance with UAP 3215: Performance Management. Consult with University Counsel regarding payment of funds to Two Bears Construction for services not performed at RVA. The additional cost paid to BCH Construction for completing the stairwells at RVA was \$42,000.	We will consult with Human Resources to address the personnel issues and move forward with appropriate disciplinary actions by March 15, 2017.	3/15/2017	10/31/2017	100%	a. The Vice President for Institutional Support Services terminated the PPD Remodel Manager on March 2, 2017 due to his actions of paying for contracted services not received and making decisions that were not in the best interest of the University. The PPD Facilities Maintenance Manager was also issued a suspension on March 16, 2017 for approving the payment of contracted services not received and making decisions that were not in the best interest of the University. In process: b. The VP for Institutional Support Services met with University Counsel on multiple occasions to discuss collection from Two Bears Construction regarding the payment for service not performed at the Redondo Village Apartments.	Shirley Mitchell, Assoc Dir, Finance & Admin
3	<u>PPD Remodel and Two Bears Construction Contracts</u>	3/31/2017, 16, H	<u>Recommendation 2 - UNM Policy Refresher Trainings</u>	The Interim PPD Director should require that all PPD management and Project Managers attend the policy refresher session.	PPD Interim Director will coordinate with the Chief Procurement Officer to schedule a mandatory training by February 15, 2017.	3/31/2017	11/30/2017	35%	Internal Audit reviewed completions of the Purchasing refresher training offered by the Purchasing department and noted only 16 of 46 PPD employees that were suggested to take the training completed the training. PPD and Purchasing Management has been contacted to follow up on getting trainings completed.	Shirley Mitchell, Assoc Dir, Finance & Admin

**Follow Up Report - PPD Implemented and Pending
March 2018 Open Session**

No	Project Name	Report Approval Date, # of Recommendations, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Original Estimated Implementation Date	Revised Estimated Implementation Date	% of Progress	Recommendation Action/Last Status Update	Responsible Party
4	<u>PPD Remodel and Two Bears Construction Contracts</u>	3/31/2017, 16, H	<u>Recommendation 6 - Contractor Warranties and Responsibilities</u>	The Vice President for ISS should contract with a third party consultant to test the application of the Sikaflex-15LM caulk against the manufacturer's recommended application for optimal results. If the consultant determines Two Bears Construction did not apply caulk according to recommended application, the PPD Remodel Manager should contact Two Bears Construction and request them to return and reapply caulk correctly to all stairwells.	We will contract with a third party consultant to test the application of the Sikaflex-15LM caulk against the manufacturer's recommended application. If the consultant determines that the caulk was not applied according to recommended application, we will contact Two Bears Construction and request that the caulk be re-applied to all stairwells.	1/31/2017	12/31/2017	85%	On September 25, 2017, AGI provided PPD with a follow up report regarding their inspection of the caulking installed at the Student Residence Center stairwells. AGI concluded that the contractor (Two Bears Construction) failed to provide installation that would ensure a warrantable, watertight and typical life performance of the installed product. On December 4, 2017, AGI submitted two proposals for further surveys and recommendations for repair of the stairwells. One proposal is for a review of the painting at SRC, as well as the recommended repairs to correct the caulking, paint, and address the stucco that will be damaged by the repair work.	Chris Vallejos,Avp,Bsn Png & Svcs/Iss
5	<u>PPD Remodel and Two Bears Construction Contracts</u>	3/31/2017, 16, H	<u>Recommendation 6 - Contractor Warranties and Responsibilities</u>	The Vice President for ISS and Interim PPD Director should contract with a third party consultant to test the application of the Sikaflex-15LM caulk against the manufacturer's recommended application for optimal results. If the consultant determines Two Bears Construction did not apply caulk according to recommended application, the PPD Remodel Manager should contact Two Bears Construction and request them to return and reapply caulk correctly to all stairwells.	We will contract with a third party consultant to test the application of the Sikaflex-15LM caulk against the manufacturer's recommended application. Interim PPD Director will contact possible third party and schedule a site visit by January 10, 2017. If the consultant determines that the caulk was not applied according to recommended application, we will contact Two Bears Construction and request that the caulk be re-applied to all stairwells by January 31, 2017.	1/31/2017	12/31/2017	85%	The second proposal is for a review of the caulking and structure repairs completed by Two Bears Construction on the RVA buildings A & B east stairways. PPD is in the process of moving forward with these additional assessments to determine action, if any, against Two Bears Construction. The target date for obtaining these assessments is March 31, 2018.	Al Sena, Dir,Physical Plant; Shirley Mitchell,Assoc Dir,Finance & Admin
6	<u>PPD Remodel and Two Bears Construction Contracts</u>	3/31/2017, 16, H	<u>Recommendation 8b - Payment for Services not Accepted by UNM</u>	The Interim PPD Director should conduct a General Conditions of the Contract for Construction refresher session, specifically section 9.10.1, and require attendance by all PPD Management.	The Interim PPD Director should conduct a General Conditions of the Contract for Construction refresher session by January 31, 2017 for PPD Management. PPD Interim Director will develop a formal written process for dispute resolution when issues arise concerning acceptance of work by February 15, 2017.	2/15/2017	11/30/2017	35%	Internal Audit reviewed completions of the Purchasing refresher training offered by the Purchasing department and noted only 16 of 46 PPD employees that were suggested to take the training completed the training. PPD and Purchasing Management has been contacted to follow up on getting trainings completed.	Al Sena, Dir,Physical Plant; Shirley Mitchell,Assoc Dir,Finance & Admin

**INFORMATION
TO
BE
SUPPLIED
AT
MEETING**

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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										
0340 - University Hospital Revenue!	\$.00	\$.00	\$.00	\$.00	.00%	\$2,635.00	.00%	\$.00	(\$2,635.00)	.00%
1640 - Allocations Pooled Allocatio!	\$790,922.00	\$.00	\$790,922.00	\$.00	.00%	\$790,922.00	100.00%	\$.00	\$.00	.00%
1900 - Reserves	\$.00	\$.00	\$.00	\$.00	.00%	\$85,355.86	.00%	\$.00	(\$85,355.86)	.00%
1901 - Budgeted Use of Reserves	\$34,000.00	\$.00	\$34,000.00	\$.00	.00%	\$.00	.00%	\$.00	\$34,000.00	100.00%
*TOTAL Revenue	\$824,922.00	\$.00	\$824,922.00	\$.00	.00%	\$878,912.86	106.54%	\$.00	(\$53,990.86)	(6.54%)
Expense										
2020 - Administrative Professional !	\$656,354.00	\$.00	\$656,354.00	\$49,468.08	7.54%	\$425,424.07	64.82%	\$197,872.32	\$33,057.61	5.04%
2060 - Support Staff Salary Detail !	\$46,717.00	\$.00	\$46,717.00	\$3,600.43	7.71%	\$29,693.34	63.56%	\$17,069.60	(\$45.94)	(.10%)
20J0 - Student Salaries Gen	\$25,000.00	\$.00	\$25,000.00	\$638.00	2.55%	\$12,064.00	48.26%	\$.00	\$12,936.00	51.74%
20P0 - Temporary Salary Gen	\$7,500.00	\$.00	\$7,500.00	\$1,327.34	17.70%	\$3,179.37	42.39%	\$.00	\$4,320.63	57.61%
3100 - Office Supplies General	\$1,500.00	\$.00	\$1,500.00	\$8.51	.57%	\$455.25	30.35%	\$.00	\$1,044.75	69.65%
3110 - Books Periodicals Gen	\$250.00	\$.00	\$250.00	\$.00	.00%	\$.00	.00%	\$.00	\$250.00	100.00%
3140 - Computer Software Gen	\$200.00	\$.00	\$200.00	\$.00	.00%	\$594.00	297.00%	\$.00	(\$394.00)	(197.00%)
3150 - Computer Supplies <\$5,001	\$200.00	\$.00	\$200.00	\$67.98	33.99%	\$138.93	69.47%	\$.00	\$61.07	30.54%
3180 - Non Capital Equipment <\$5,!	\$.00	\$.00	\$.00	\$440.98	.00%	\$440.98	.00%	\$34.99	(\$475.97)	.00%
31A0 - Business Food - Local	\$1,200.00	\$.00	\$1,200.00	\$.00	.00%	\$.00	.00%	\$.00	\$1,200.00	100.00%
31C0 - Dues Memberships Gen	\$4,500.00	\$.00	\$4,500.00	\$130.00	2.89%	\$6,082.08	135.16%	\$.00	(\$1,582.08)	(35.16%)
31J0 - Parking Permits Gen	\$500.00	\$.00	\$500.00	\$.00	.00%	\$644.00	128.80%	\$.00	(\$144.00)	(28.80%)
31K0 - Postage Gen	\$80.00	\$.00	\$80.00	\$.00	.00%	\$.00	.00%	\$.00	\$80.00	100.00%
31P0 - Training Materials Supplies !	\$200.00	\$.00	\$200.00	\$.00	.00%	\$.00	.00%	\$.00	\$200.00	100.00%
3800 - In State Travel Gen	\$2,000.00	\$.00	\$2,000.00	\$.00	.00%	\$.00	.00%	\$.00	\$2,000.00	100.00%
3805 - Instate Travel-Per Diem Sta!	\$500.00	\$.00	\$500.00	\$.00	.00%	\$.00	.00%	\$.00	\$500.00	100.00%
3810 - Instate Travel-Per Diem No!	\$200.00	\$.00	\$200.00	\$.00	.00%	\$.00	.00%	\$.00	\$200.00	100.00%
3820 - Out Of State Travel Gen	\$2,500.00	\$.00	\$2,500.00	\$.00	.00%	\$1,393.05	55.72%	\$.00	\$1,106.95	44.28%
3825 - Out State Travel-Per Diem !	\$500.00	\$.00	\$500.00	\$.00	.00%	\$.00	.00%	\$.00	\$500.00	100.00%
3830 - Out State Trvl-Per Diem No!	\$200.00	\$.00	\$200.00	\$.00	.00%	\$.00	.00%	\$.00	\$200.00	100.00%
6000 - Telecom Charges Gen	\$4,000.00	\$.00	\$4,000.00	\$292.50	7.31%	\$2,340.00	58.50%	\$.00	\$1,660.00	41.50%
6020 - Long Distance Gen	\$100.00	\$.00	\$100.00	\$.00	.00%	\$10.78	10.78%	\$.00	\$89.22	89.22%
6060 - Voice Mail Box Gen	\$700.00	\$.00	\$700.00	\$42.14	6.02%	\$357.14	51.02%	\$.00	\$342.86	48.98%
6300 - Alarm System Gen	\$300.00	\$.00	\$300.00	\$11.25	3.75%	\$258.39	86.13%	\$.00	\$41.61	13.87%
6315 - Electronic Databases	\$1,200.00	\$.00	\$1,200.00	\$123.00	10.25%	\$835.00	69.58%	\$.00	\$365.00	30.42%
63A0 - Conference Fees Gen	\$4,000.00	\$.00	\$4,000.00	\$.00	.00%	\$792.50	19.81%	\$.00	\$3,207.50	80.19%

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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
63A2 - Seminars/Training Fees	\$4,000.00	\$.00	\$4,000.00	\$775.00	19.38%	\$3,299.00	82.47%	\$.00	\$701.00	17.52%
63C0 - Copying Gen	\$100.00	\$.00	\$100.00	\$29.40	29.40%	\$126.60	126.60%	\$.00	(\$26.60)	(26.60%)
63V0 - Consultant Fees Gen	\$25,451.00	\$.00	\$25,451.00	\$.00	.00%	\$.00	.00%	\$5,000.00	\$20,451.00	80.35%
69Z0 - Other Professional Services!	\$15,100.00	\$.00	\$15,100.00	\$716.59	4.75%	\$5,732.72	37.97%	\$.00	\$9,367.28	62.03%
7000 - Plant Repairs Maintenance !	\$.00	\$.00	\$.00	\$112.00	.00%	\$112.00	.00%	\$.00	(\$112.00)	.00%
70E0 - Computer Hardware Mainte!	\$1,200.00	\$.00	\$1,200.00	\$.00	.00%	\$.00	.00%	\$.00	\$1,200.00	100.00%
70E1 - Computer Software Mainten!	\$10,400.00	\$.00	\$10,400.00	\$.00	.00%	\$11,011.67	105.88%	\$.00	(\$611.67)	(5.88%)
70F0 - Equipment Rent Expense Gl	\$3,000.00	\$.00	\$3,000.00	\$386.71	12.89%	\$1,825.72	60.86%	\$.00	\$1,174.28	39.14%
80K0 - Banner Tax	\$770.00	\$.00	\$770.00	\$29.52	3.83%	\$362.66	47.10%	\$.00	\$407.34	52.90%
80K2 - Foundation Surcharge	\$4,500.00	\$.00	\$4,500.00	\$289.93	6.44%	\$2,533.13	56.29%	\$.00	\$1,966.87	43.71%
*TOTAL Expense	\$824,922.00	\$.00	\$824,922.00	\$58,489.36	7.09%	\$509,706.38	61.79%	\$219,976.91	\$95,238.71	11.55%
Total Revenue:	\$824,922.00	\$.00	\$824,922.00	\$.00	.00%	\$878,912.86	106.54%	\$.00	(\$53,990.86)	(6.54%)
Total Expense:	\$824,922.00	\$.00	\$824,922.00	\$58,489.36	7.09%	\$509,706.38	61.79%	\$219,976.91	\$95,238.71	11.55%
Net:	\$.00	\$.00	\$.00	(\$58,489.36)	.00%	\$369,206.48	.00%	(\$219,976.91)	\$149,229.57	.00%

Parameters:

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Groupings:

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

EXECUTIVE SESSION