BOARD of REGENTS

THE UNIVERSITY *of*
NEW MEXICO

AUDIT AND COMPLIANCE
COMMITTEE
MEETING

Friday, September 2, 2016 at 9:00 am
Scholes Hall, Roberts Room

The University of New Mexico
Board of Regents' Audit and Compliance Committee
September 2, 2016 – 9:00 AM
Roberts Room
Agenda

ACTION ITEMS

1. Confirmation of a Quorum and Adoption of Agenda

2. Approval of Meeting Minutes from May 5, 2016

3. The following 2016 calendar year meeting dates are being presented for Committee approval

   October 20, 2016 (Exit Conference for FY16 External Audit)
   The Committee meeting time for this meeting only is at 2:00 PM in the Roberts Room

4. Proposed Revisions to Regents' Policy 7.17 on Affiliated Organizations *(Pamina Deutsch, Director, UNM Policy Office; and Amy Wohlert, Chief of Staff, President's Office)*

INFORMATION ITEMS

5. Advisors' Comments

6. Follow-Up Items from May 5, 2016 Meeting

7. Main Campus Compliance Report (*Amy Wohlert, Chief of Staff, President's Office*)

8. Health Sciences Center Chief Compliance Officer Status Report *(Stuart Freedman, HSC Chief Compliance Officer)*

9. Status of Audit Recommendations (*Chien-chih Yeh, Internal Audit Manager*)
       Implemented
       Pending

10. Director of Internal Audit Status Report (*Manu Patel, Internal Audit Director*)

EXECUTIVE SESSION

11. 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. Discussion of limited personnel matters pursuant to exception at Section 10-15-1.H(2) NMSA (1978);
    c. Schedule of Audits in Process and FY17 Audit Work plan, pursuant to RPM 1.2
    d. Vote to re-open the meeting.

12. Certification that only those matters described in Agenda item # 11 were discussed in Executive Session and if necessary ratification of action, if any, taken in Executive Session.

13. Adjournment

> THE UNIVERSITY OF NEW MEXICO
> Board of Regents' Audit and Compliance Committee Meeting
> May 5, 2016 – Draft Meeting Minutes

Members Present: Chairman Jack Fortner, Lt. Gen. Bradley Hosmer, Marron Lee (Quorum).

Other Attendees: Chaouki Abdallah, Helen Gonzales, Chris Vallejos, Amy Wohlert, Dorothy Anderson, Ava Lovell, Liz Metzger, Gil Gonzales, Mike Schwantes, Kimberly Bell, Paul Krebs, Craig Neal, Michael Marcelli, Stuart Freedman, Robert Burford, Bobbi Jaramillo, John Kennedy (KPMG), DeVon Wiens (Moss Adams), Manu Patel, Chien-chih Yeh, Lisa Wauneka, William Cottrell, Victor Griego, Eileen Sanchez, Mallory Reviere, Amy O'Donnell.

Chairman Fortner called the meeting to order at 9:07 AM in ROBERTS ROOM, Scholes Hall, UNM.

ACTION ITEMS:

- The Committee unanimously approved the meeting agenda and the minutes from the meeting of March 3, 2016.
- The Committee will check their calendars and advise the Internal Audit Director regarding the proposed meeting dates of August 4, 2016 and October 20, 2016 (Exit Conference for FY16 External Audit). The meeting will start at 9:00 AM, to precede ASAR. Chairman Fortner noted the August date may need to be changed to August 11, 2016. He will keep Internal Audit informed.

INFORMATION ITEMS:

- Chairman Fortner asked for advisor comments. Faculty Senate President Posse had no comments. GPSA President Texanna Martin introduced incoming GPSA President Glenda Lewis.

- The only follow-up item from the March meeting is that the Minors on Campus Policy number 2205 was finalized on March 8, 2016. It is on the Policy website and there is an online training course available. Regent Hosmer inquired about the revised Whistleblower policy; it is put on the back burner for few months pending main campus re-organization of the compliance function. Regent Hosmer asked for a rough target date. Mr. Patel replied that it will hopefully be by the end of the calendar year, but that depends on the status of the reorganization. It will not be in time for the October meeting but should be completed for the following quarterly meeting, likely in March.

- KPMG and Moss Adams presented the Entrance Conference for the FY16 External Audit. Liz Metzger, University Controller, introduced John Kennedy, Partner, KPMG, and DeVon Wiens, Partner, Moss Adams. Mr. Kennedy and Mr. Wiens described their audit teams and walked through the plan for the audit work. KPMG will perform the audit for the academic portions of the University and non-clinical component units such as the UNM Foundation, Lobo Club, etc., as well as KNME and KUNM. Moss Adams will cover clinical operations including UNM Hospital, Sandoval Regional Medical Center, the UNM Medical Group, etc.

  Chairman Fortner asked if this is an audit of the complete University and complete Health Sciences Center. In response to Chairman Fortner's question, Mr. Kennedy and Mr. Wiens responded that the KPMG portion of the audit encompasses academic portions which does include Health Sciences Center academic units, main campus, north and south campuses for the University as whole, including all component units. Moss Adams audits the clinical entities. They will also issue individual audit reports for the component units as required by the State Auditor

rule and for bonding purposes. There are four separate audit reports. All of that rolls up into the University audit. Regent Lee asked if they then randomly test systems within that. Mr. Wiens responded that is correct; they do not test every transaction. However, every transaction has an equal likelihood of being picked.

Regent Lee stated she knows there are multiple funding streams and things are transferred; so does the audit test inter unit transactions? The external auditors indicated that they do test in and out transactions going back and forth between units. Ms. Metzger, University Controller, explained that auditors will review intercompany transactions, transfers in and out, and that due to and due from entities match. However, this audit does not cover external reporting to legislative bodies and other external parties. That type of audit would require a separate agreed upon procedure engagement.

Regent Lee asked about external compensation provided for services within the healthcare system. She inquired as to if they have a way of tracking if those payments go to specific service provided. Mr. Wiens explained there are multiple funding sources that are all considered revenue from outside sources. All streams are tested, and they are tested using samples.

Mr. Kennedy stated it is a risk-based approach. They test controls and compliance with grant programs. The State Auditor does have influence over and oversight of the process. Fieldwork has begun, and the draft audit report will be presented in October. The teams will communicate with the Committee Chairman at various times throughout the audit and will notify them if significant matters arise. The Chairman requested that the audit team also communicate with Regent Hosmer during the course of this audit.

Mr. Wiens stated historically, since he has been involved, the internal controls for the clinical operations have been very strong. They have not had to expand testing based on any control issues. Mr. Kennedy stated there are strong controls on the academic side of operations as well. Mr. Kennedy noted that Innovate ABQ is new, so they have not audited that in the past; it will be included in this audit.

It is management's responsibility to present the financial statements. For non-payroll expenditures, the external auditors will look at the procurement process for correct documentation and approvals, etc. They also test functions of IT systems such as access controls and firewalls. Regent Hosmer asked what determines a sample size. Mr. Kennedy responded that it depends on the nature of the item being tested. For example, with respect to controls, it is usually a minimum sample of 25 and may go up from there. If the risks go up, the samples become larger. Alternative investments is an area they spend a lot of time on because there is more risk in that area. They look at non-routine transactions. GASB 68 will not be as cumbersome this year. Mr. Wiens noted on the clinical operations side they spend a lot of time looking at the patient revenue cycle. The NCAA sends out a list of agreed upon procedure items that they look at as well.

There are some new accounting standards, including GASB 72 – Fair Value Measurement and Application. This item requires a fair amount of effort to gather the information regarding fair value of investments. GASB 73, 76, and 79 are mostly administrative issues for the external auditors.

Helen Gonzales presented her final Main Campus quarterly compliance report since she will retire from that position effective June 30, 2016. Ms. Gonzales informed the Committee that although June 30th is her last day in this position, she will be assisting the President's Office part time for a few months during the transition. Ms. Gonzales reported that most compliance offices say it takes about five years to be fully functioning and complete the implementation phase. In the last three years, UNM has developed a framework and structure designed in a manner to comply with the federal government requirements for compliance offices. There is still a way to go but there is a program structure and model based on a compliance partner model – individuals who are responsible for specific compliance obligations in their areas. There are over 500 documented compliance obligations right now. The Compliance Office houses a database with all of the compliance obligations as well as a calendar of reporting obligations. There is also a very robust whistleblower hotline.

Most universities that did not have a centralized compliance function developed one after the issues at Penn State. The UNM Compliance Office has looked at compliance functions at other universities and other organizations to research what may be the appropriate compliance portfolio. Clarifying roles and responsibilities between units is important. The Compliance Office spent one-and-a-half to two years and an extensive amount of work developing two Regents' policies with very specific discussion about compliance and audit. This Committee (new members) may want to review those policies. One important idea is, what is functional versus administrative reporting? The policy states there is functional reporting to the Board and administrative reporting to the President. It is not clear if people understand what that means. There is only a Regents' policy, not an administrative policy on compliance. It would be helpful to have a dialog to ensure the Regents' expectations are being met.

Ms. Gonzales recommended some changes to help enhance UNM's compliance program, such as to incorporate fundamental compliance activities into the core of the compliance office, clarify roles and responsibilities for compliance issues, have a mechanism for collaboration, etc. It will be helpful to ensure that a culture of compliance exists and continue to encourage executive buy-in and support, Also, Ms. Gonzales stated it would also be helpful to have an independent investigative body, one that does not specifically exist today. It would be a separate unit that does investigations. Right now, we send investigations to the unit that creates procedures around those issues but they often have a stake in the outcome. It is important to revise the whistleblower policy, as mentioned earlier in the meeting, to certainly reflect the University's non-retaliation. There should be an aggressive timeline on that. Regent Fortner asked if it is in the current policy. Ms. Gonzales replied that it is but does not reflect current practice - how complaints come in and where they go.

Internal Audit and Compliance has collaborated very well over the last three years, but Ms. Gonzales noted that an enterprise risk process would be a good move. Regent Hosmer stated he thought the risk process is built into the annual audit cycle. Mr. Patel replied that the bi-annual risk assessment that Internal Audit focuses on is for financial risks. Enterprise risk assessments are more extensive and include things like operational and reputational risk. Regent Hosmer added that he thinks the University's greatest risks and the one with the most exposure may be enterprise risks.

Ms. Gonzales provided the Committee with a report demonstrating hotline volume of contacts. From April, when the Compliance Office took over the hotline, to December (9 months) the

report shows volume is increasing. This should be a good sign; one that shows people are more comfortable contacting the hotline.

- Internal Audit Manager Chien-chih Yeh provided the Committee with a list of outstanding audit recommendations and updated the status of those recommendations. Regent Lee asked about the Director for the Harwood Museum. Amy Wohlert, Chief of Staff, stated the Harwood Foundation has hired a new Director. Regent Lee asked if an inventory has been completed. Mr. Yeh replied that the Director just started so they need to give him some time.

- Mr. Patel reviewed his Internal Audit Director's Report. Internal Audit has completed nine reports; four are in fieldwork, and two are in report writing. Four are assigned with total of 19 projects for FY16. Mr. Patel reported he expects to end the fiscal year with approximately $50,000 in reserves. The Department interviewed four students and will hire three student interns.

- Mr. Patel provided the Committee with current, updated information regarding four third party audits/reviews underway. The Federal Emergency Management Agency and Sandia National Laboratory completed their reviews and indicated that they do not have any findings. They complimented the UNM system of controls and management. That is good news.

By unanimous consent, the meeting went into Executive Session for the reasons stated in the agenda. The meeting went in to closed session at 10:03 AM.

      a. Discussion of draft Internal Audit Reports, and discussions of information subject to attorney-client privilege pursuant 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 FY16 Audit Work plan, pursuant to RPM 1.2
      d. Vote to re-open the meeting.

The meeting returned to open session at 11:38 AM, with certification that only those matters described above were discussed in Executive Session.

The Committee unanimously approved the following UNM audits:

- Audit of Health Sciences Center Bake Sales – Cash Controls, Report Number 2016-10; and
- Audit of Men's Basketball Purchasing Card Use – Report 2016-07.

The meeting adjourned at 11:41 AM (Motion: Regent Lee; Second: Chairman Hosmer).

Approved:

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Audit and Compliance Committee Chairman

There is no handout required for this item

UNM

Policy Office

MEMORANDUM

TO: Jack Fortner, Chair, Audit and Compliance Committee

FROM: Pamina M. Deutsch, University Policy and Administrative Planning Director

DATE: August 24, 2016

RE: Proposed Revisions to Regents' Policy 7.17 on Affiliated Organizations

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REQUESTED ACTION:

Forward the proposed revisions to Regents' Policy 7.17 to the full Board of Regents with a recommendation for approval.

DISCUSSION:

Regents' Policy 7.17 discusses the University's affiliated organizations and the requirements of NMSA 1978, § 6-5A-1 ("Definitions; requirements for governmental entities that receive funds or property from certain organizations"). Consistent with the statute, the University enters into written agreements with its affiliated organizations that are exempt under § 501(c)(3) of the Internal Revenue Code. The agreements specify, among other requirements, the organizations' purposes and relationships with the University.

The list of affiliated organizations in Regents' Policy 7.17 has been out of date for many years. The attached proposed revisions to the policy:

- provide an accurate list of the affiliated organizations
- clarify that the requirements of the statute pertain to § 501(c)(3) organizations and not to other types of affiliated entities
- specify whether the affiliated organizations are (i) fundraising organizations or (ii) research park corporations formed under NMSA 1978, § 21-28-1 et seq. ("University Research Park and Economic Development Act")

The proposed policy changes were reviewed and approved by University Counsel Elsa Cole and by a committee conducting a comprehensive review of the Regents' Policy Manual.

DRAFT OF 8-23-2016 (CLEAN COPY WITH NO TRACK CHANGES)

Regents' Policy Manual - Section 7.17: University Affiliated 501(c)(3) Organizations

Adopted Date: 09-12-1996

Applicability

This policy applies to nonprofit organizations that are affiliated with the University and exist solely for the benefit and support of the University, even if not created by the University. These organizations are exempt under § 501(c)(3) of the Internal Revenue Code.

Policy

The University recognizes the value and importance of affiliated organizations for the support and benefit of the University and its programs. The Board of Regents shall approve the articles of incorporation and bylaws, including any amendments, of any University affiliated organization. Pursuant to NMSA 1978, § 6-5A-1, the University shall enter into a written agreement with each affiliated organization approved by the Board of Regents specifying, among other requirements, the organization's purposes and relationship with the University.

The articles of incorporation and bylaws of affiliated organizations are maintained in the Office of the University Counsel.

References

- NMSA 1978, § 6-5A-1 ("Definitions; requirements for governmental entities that receive funds or property from certain organizations")

- NMSA 1978, § 21-28-1 et seq. ("University Research Park and Economic Development Act")

AFFILIATED 501(C)(3) ORGANIZATIONS

NAME OF ENTITY[1]	PURPOSE OF ENTITY[2]	FUNDRAISING ORGANIZATION	RESEARCH PARK CORPORATION[3]
Carrie Tingley Hospital Foundation, Inc.	Serve children with disabilities	X	
Innovate ABQ, Inc.	Charitable, scientific, and educational: organized and operated exclusively for the benefit and support of and to perform the functions of or to carry out the purposes of the Regents of UNM		X
Lobo Development Corporation	The acquisition, development, disposition, and rental of real estate for the benefit of UNM		X
Lobo Energy, Inc.	Support UNM for the purposes of generally providing contractual services, including financing, operating, improving, and expanding the University's utilities services and infrastructure		X
NMC, Inc.	Formed by the three New Mexico universities to engage universities and industry in scientific research in the nation's interest, and to increase the role of Los Alamos National Laboratory in science, education, and economic development		X
STC.UNM, Inc.	Support technology transfer and catalyze economic development at UNM		X
The Harwood Museum Alliance, Inc.	Membership organization for the Harwood Museum	X	
The Robert O. Anderson School and Graduate School of Management Foundation, Inc.	Promote continuing education to the business community, including masters programs and professional workshops	X	
The University of New Mexico Alumni Association, Inc.	Provide services and support to UNM alumni and support to the University	X	
The University of New Mexico Foundation, Inc.	Raise funds for UNM	X	
U. N. M. Lobo Club, Inc.	Raise funds necessary to provide financial support for student-athlete scholarships, facilities, programs that support student-athlete success, and operational support to create an athletics program of excellence	X	
UNM Medical Group, Inc.	Facilitate and enhance the clinical, educational, and research functions of the faculty UNM's School of Medicine		X
UNM Sandoval Regional Medical Center, Inc.	Healthcare		X

[1] This list contains the legal names under which the organizations were registered with the New Mexico Secretary of State.

[2] The purposes are based on information submitted by the organizations when they registered with the State.

[3] These corporations were formed under the University Research Park and Economic Development Act.

DRAFT OF 8-23-2016 (WITH TRACK CHANGES)

Regents' Policy Manual - Section 7.17: University-Affiliated 501(c)(3) Organizations

Adopted Date: 09-12-1996

Applicability

This policy applies to nonprofit ~~corporations or associations which~~organizations that are affiliated with the University and exist solely for the benefit and support of the University, even if not created by the University. ~~An organization does not necessarily have to be declared an~~These organizations are exempt ~~organization~~ under ~~Section~~§ 501(c)(3) of the Internal Revenue Code ~~in order to be considered a University-affiliated organization~~.

Policy

The University recognizes the value and importance of affiliated organizations for the support and benefit of the University and its programs. The Board of Regents shall approve the ~~Articles~~articles of ~~Incorporation~~incorporation and ~~Bylaws~~bylaws, including any amendments, of any University-affiliated organization. Pursuant to ~~Section 6-5A-1,~~ NMSA 1978, § 6-5A-1, the University shall enter into a written agreement with each affiliated organization approved by the Board of Regents specifying, among other requirements, the organization's purposes and relationship with the University.

~~Implementation~~

The ~~Articles~~articles of ~~Incorporation~~incorporation and ~~Bylaws~~bylaws of affiliated organizations are maintained in the ~~offices listed below, as well as in~~Office of the University ~~Counsel's Office~~Counsel.

References

- NMSA 1978, § 6-5A-1 ("Definitions; requirements for governmental entities that receive funds or property from certain organizations")

- NMSA 1978, § 21-28-1 et seq. ("University Research Park and Economic Development Act")

~~References~~

~~§ 6-5A-1, NMSA 1978.~~

AFFILIATED 501(C)(3) ORGANIZATIONS

NAME OF ENTITY[1]	PURPOSE OF ENTITY[2]	FUNDRAISING ORGANIZATION	RESEARCH PARK CORPORATION[3]
Carrie Tingley Hospital Foundation, Inc.	Serve children with disabilities	X	
Innovate ABQ, Inc.	Charitable, scientific, and educational: organized and operated exclusively for the benefit and support of and to perform the functions of or to carry out the purposes of the Regents of UNM		X
Lobo Development Corporation	The acquisition, development, disposition, and rental of real estate for the benefit of UNM		X
Lobo Energy, Inc.	Support UNM for the purposes of generally providing contractual services, including financing, operating, improving, and expanding the University's utilities services and infrastructure		X
NMC, Inc.	Formed by the three New Mexico universities to engage universities and industry in scientific research in the nation's interest, and to increase the role of Los Alamos National Laboratory in science, education, and economic development		X
STC.UNM, Inc.	Support technology transfer and catalyze economic development at UNM		X
The Harwood Museum Alliance, Inc.	Membership organization for the Harwood Museum	X	
The Robert O. Anderson School and Graduate School of Management Foundation, Inc.	Promote continuing education to the business community, including masters programs and professional workshops	X	
The University of New Mexico Alumni Association, Inc.	Provide services and support to UNM alumni and support to the University	X	
The University of New Mexico Foundation, Inc.	Raise funds for UNM	X	
U.N.M. Lobo Club, Inc.	Raise funds necessary to provide financial support for student-athlete scholarships, facilities, programs that support student-athlete success, and operational support to create an athletics program of excellence	X	

[1] This list contains the legal names under which the organizations were registered with the New Mexico Secretary of State.

[2] The purposes are based on information submitted by the organizations when they registered with the State.

[3] These corporations were formed under the University Research Park and Economic Development Act.

UNM Medical Group, Inc.	Facilitate and enhance the clinical, educational, and research functions of the faculty UNM's School of Medicine		X
UNM Sandoval Regional Medical Center, Inc.	Healthcare		X

AFFILIATED ORGANIZATIONS	UNIVERSITY OFFICE
Anderson Schools Foundation	Dean's Office, Anderson Schools of Management
Biological Society of New Mexico	Biology Department
Carrie Tingley Hospital Foundation, Inc.	Vice President for Health Sciences
College of Engineering Advisory Board	Dean's Office, College of Engineering
Friends of Art	Dean's Office, College of Fine Arts
Friends of Dance	Dean's Office, College of Fine Arts
Friends of the Law Library	Dean's Office, School of Law
Friends of the Library	Dean's Office, Zimmerman Library
Khatali Club	Dean's Office, School of Medicine
Lobo Club	Athletics Department, Lobo Club Office
Maxwell Museum Association	Maxwell Museum

AFFILIATED ORGANIZATIONS	UNIVERSITY OFFICE
New Mexico Research and Study Council	Dean's Office, College of Education
Science and Technology Corporation at UNM	Vice President for Business and Finance, Development Office
University Physician Associates	Vice President for Health Sciences, UPA Office
UNM Alumni Association	Alumni Relations Office
UNM Alumni Lettermen's Association	Alumni Relations Office
UNM Foundation, Inc.	Vice President for Business and Finance, Development Office

THE UNIVERSITY of NEW MEXICO

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To: Jack Fortner, Chairman, UNM Board of Regents' Audit Committee
Robert G. Frank, University President

From: Manu Patel, Director of Internal Audit

Date: September 02, 2016

Re: Review of University of New Mexico Tax Reporting Responsibilities for FY 2015, Report 2016-11

Internal Audit requested tax reporting responsibilities for the University of New Mexico and entities that are included as a component unit in the UNM audited financial statements. The information was requested from each organization's financial officer regarding the type of exempt organization, Form 990 filing requirements, and whether the entity was formed under the University Research Park Act. Form 990 is an annual information return that is required to be filed with the IRS by most organizations exempt from income tax under section 501(a). The Internal Revenue Code section 511(a)(2)(B) imposes tax on the unrelated business income activities of State Colleges and Universities and their component units (Form 990-T).

Internal Audit received tax return information from the University of New Mexico and the following component unit organizations.

- UNM Lobo Club
- Lobo Development Corporation
- Lobo Energy, Inc.
- UNM Alumni Association
- Robert O. Anderson Foundation
- UNM Foundation, Inc.
- Science Technology Corporation
- UNM Sandoval Regional Medical Center
- UNM Medical Group, Inc.
- UNM Harwood Museum Alliance, Inc.
- Carrie Tingley Hospital Foundation
- Innovate ABQ, Inc.

The summary of the tax survey responses for fiscal year ended June 30, 2015 are presented below:

Unit	Return Prepared By	Organization	Unrelated Income Tax	Form 990-T	Research Park Act
University of New Mexico	KPMG	Governmental	511(a)(2)(B)	Yes	N/A

Component Unit	Return Prepared By	Organization	Unrelated Income Tax	File Form 990	Research Park Act
UNM Lobo Club	Pulakos CPAs	501(c)(3) 509(a)(1)	No	Yes	No
Lobo Development Corp.	Moss Adams	501(c)(3) 509(a)(3)	No	Yes	Yes
Lobo Energy Inc.	Moss Adams	501(c)(3) 509(a)(3)	No	Yes	Yes
UNM Alumni Association	KPMG	501(c)(3) 509(a)(3)	Yes 990-T filed	Yes	No
Robert O. Anderson Foundation	Moss Adams	501(c)(3) 509(a)(3)	No	Yes	No
UNM Foundation, Inc.	BDO USA	501(c)(3) 509(a)(1)	Yes 990-T filed	Yes	No
Science Technology Corp.	Science Technology Corp.	501(c)(3) 509(a)(3)	No	Yes	Yes
UNM Sandoval Regional Medical Center	N/A	501(c)(3) 509(a)(2)	No	No*	Yes
UNM Medical Group	N/A	501(c)(3) 509(a)(2)	No	No**	Yes
UNM Harwood Museum Alliance, Inc.	UNM Harwood Museum	501(c)(3)	No	No***	No
Carrie Tingley Hospital Foundation (Calendar year basis reporting)	Carrie Tingley Hospital Fo.	501(c)(3)	No	No	No
Innovate ABQ, Inc.	Innovative ABQ, Inc.	501(c)(3)	No	Yes	No

*UNM Sandoval Regional Medical Center (UNM SRMC) and their independent tax firm, Moss Adams, filed Form 8940 on November 4, 2014, requesting UNM SRMC be reclassified from an organization described in IRC section 509(a)(3) to a publicly supported organization described in IRC section 509(a)(2) ,and confirmation that UNM

SMRC did not have to file Form 990. Internal Audit received the IRS final determination ruling regarding the UNM SMRC's reclassification and exclusion from filing Form 990. The IRS approved the UNM SMRC's reclassification to a public charity status as described in section 509(a)(2,) and UNM SMRC is not required to file Form 990.

** UNM Medical Group and their independent tax firm, KPMG, filed Form 8940 on June 5, 2013, requesting UNM Medical Group be reclassified from an organization described in IRC section 509(a)(3) to a publicly supported organization described in IRC section 509(a)(2), and confirmation that UNM Medical Group did not have to file Form 990. Internal Audit received the IRS final determination ruling regarding the UNM Medical Group's reclassification and exclusion from filing Form 990 on August 14, 2013. The IRS approved the UNM Medical Group's reclassification to a public charity status as described in section 509(a)(2), and UNM Medical Group is not required to file Form 990.

***The UNM Harwood Museum Alliance, Inc. files Form 990-N and prepares it in-house. Under the Pension Protection Act of 2006, most small tax-exempt organizations whose gross receipts are normally $50,000 or less must file 990-N for tax-exempt organizations not required to file Form 990 or 990-EZ. The end of year June 30, 2015 (FY 2015) Form 990-N will be filed by September 30, 2016.

UNM income generated in the exercise of its essential government functions is excluded from income tax under Internal Revenue Code (IRC) section 115. However, IRC section 511(a)(2)(B) imposes income tax on the unrelated income activities of state colleges and universities. Accordingly, the University of New Mexico files Form 990-T to report the income and pay the tax associated with its unrelated business activities. This may include bookstore sales, Student Union food sales, telecommunication services, catering and facility rental services.

Nine UNM component unit organizations have their Form 990 and Form 990-T (if applicable) prepared and submitted to the IRS by independent CPA firms. The Science Technology Corporation and Innovative ABQ, Inc. prepared and submitted their Form 990 to the IRS. The UNM Harwood Alliance, Inc. will prepare and submit their FY 2015 Form 990-N to the IRS by September 30, 2016.

509(a) Classifications

Section 509(a)(1) primarily includes churches, schools, hospitals, and other organizations that receive their public support primarily from gifts, grants and contributions from a broad group of people.

Section 509(a)(2) classification is for organizations that receive few grants, but normally receive their fees from services. The organization must normally receive more than one-third of its support from permitted sources such as gross receipts, grants, contributions, or fees, and not more than one-third from gross investment and unrelated business taxable income.

Section 509(a)(3) classification is used for university endowment funds or organizations that provide essential services for hospital systems. A supporting organization must also be organized and operated exclusively to support specified supported organizations. It must have a relationship with the supported organization to ensure it is responsive to the needs or demands of the supported organization and involved in operations. To qualify as a public charity under 509(a)(3), an organization must be classified as a Type I - supporting organization that is under direct control of the supported organization, Type II - a supporting organization that is under common control with the supported organization, or Type III - supporting organization that is not necessarily related to the supported organization(s).

Research Park and Economic Development Act

The University Research Park and Economic Development Act was enacted by the State of New Mexico to promote public welfare, prosperity, and economic development within New Mexico. The University of New Mexico uses the Research Park and Economic Development Act to further forge links between business and industrial communities and government through the development of research parks on University real property.

Form 990 and 990-T Summaries

Below is the summary of revenues, expenses, assets, liabilities, and net assets for UNM component unit organizations filing Form 990 for fiscal year ended June 30, 2015:

Form 990 Summary ($ in millions)						
	Change in Net Assets			Net Assets, End of Year		
	Total Revenue	Total Expenses	Change in Net Assets	Total Assets	Total liabilities	Net Assets
UNM Foundation	$ 49.77	$ 39.02	$ 10.75	$ 252.93	$ 54.96	$ 197.97
Alumni Association	0.88	0.61	0.27	9.24	0	9.24
Science Tech Corporation	12.2	4.93	7.27	9.06	1.31	7.75
Lobo Energy	2.8	3.02	(0.22)	11.36	7.41	3.95
Robert O. Anderson	2.88	2.64	0.24	4.66	2.2	2.46
Lobo Development	3.9	2.12	1.78	28.30	26.5	1.80
Lobo Club	3.61	3.68	(0.07)	3.95	3.93	0.02
Carrie Tingley Hospital Fo.	1.16	1.02	0.14	4.06	0.1	3.96
Innovate ABQ, Inc	0	0	0.00	0.00	0	0.00

Note: Carrie Tingley Hospital Foundation operates on a calendar year basis. The numbers in the above table shows amounts for the calendar year 2015.

Below is the summary for total unrelated business income, unrelated business taxable income, and total tax computation for UNM, the Alumni Association, and UNM Foundation for June 30, 2015:

	UNM	Alumni Association	UNM Foundation
Total Unrelated Business Income	$ 1,346,152	$ 19,457	$ (89,068)
Unrelated Business Taxable Income	$ 356,438	$ 17,197	$ (133,442)
Total Tax Computation	$ 121,189	$ 2,580	$ -

Note: The Alumni Association had a credit from 2014 tax payment for a total of $6,875 and in 2015 the ending balance of $4,295 is credited to next year's tax payments.

Summary of Findings

Based on the information Internal Audit received, nine of the component units file Form 990 and are current in their filing requirements; UNM Sandoval Regional Medical Group and UNM Medical Group received an IRS final determination ruling that excluded them from filing Form 990. UNM Harwood Alliance is required to file Form 990-N, which excludes them from filing Form 990.

cc: Thomas Clifford, Vice Chair, UNM Board of Regents' Audit and Compliance Committee
        Ryan Berryman, UNM Board of Regents' Audit and Compliance Committee

There is no handout required for this item

INFORMATION

TO

BE

SUPPLIED

AT

MEETING

Compliance Office Main Campus
UNM Compliance Hotline Report

September 2, 2016

Submitted by Eileen Sanchez, CCEP
Compliance Specialist
EthicsPoint System Administrator
Main Campus Compliance Office

This report to the Regent's Audit and Compliance Committee includes background on the UNM Compliance Hotline and data for fiscal year, July 1, 2015 to June 30, 2016.

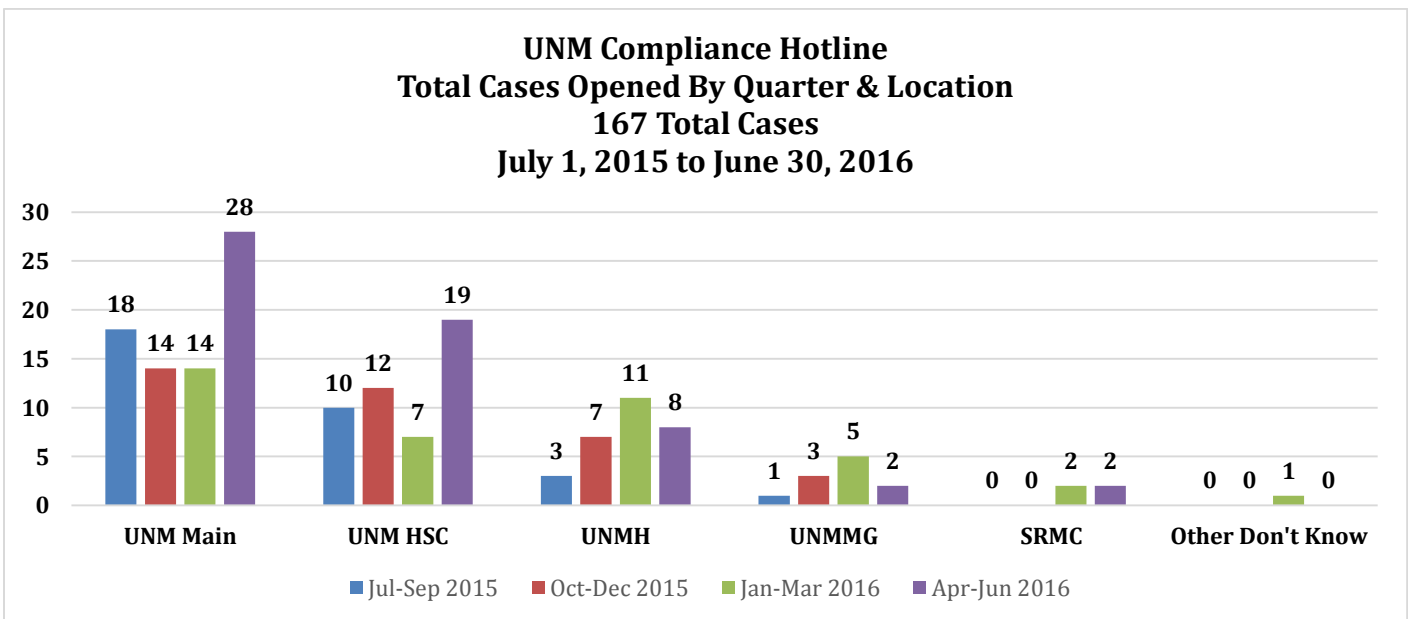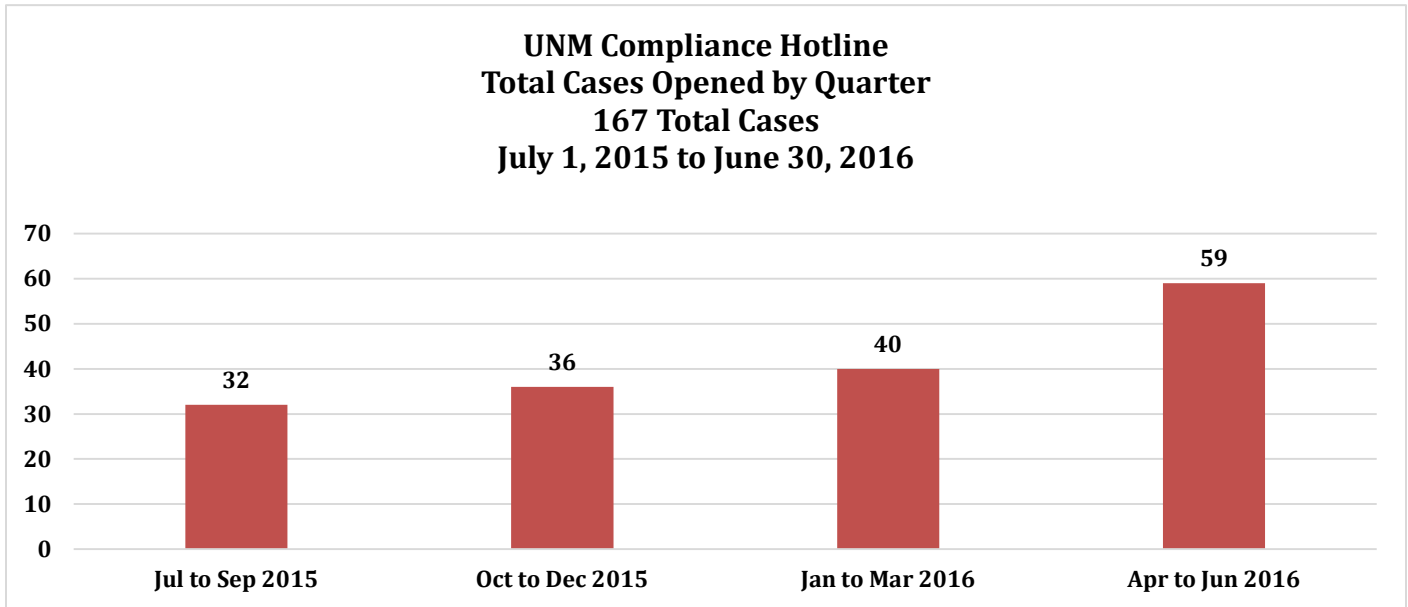**UNM Compliance Hotline Background**

The UNM Compliance Hotline is the reporting system for the university community to report alleged misconduct and violations of laws, regulations and policies. The Main Campus Compliance Office administers the hotline for UNM Main and Branch Campuses, UNM Health Sciences Center, UNM Hospital, UNM Medical Group and Sandoval Regional Medical Center. The UNM Compliance Hotline uses EthicsPoint, a case management system provided by Navex Global, that has the capability to accommodate allegations and document all information gathered from an investigation. Investigators can utilize features within EthicsPoint to help them in their investigation. One feature gives an investigator the ability to ask questions and chat online with both anonymous and named reporters.

The UNM Compliance Hotline transitioned to the Main Campus Compliance Office from Internal Audit in March 2015 when EthicsPoint was implemented. Hotline administration, investigation protocols and best practices were developed for investigators using the system along with a weekly tip of the week outlining important topics of interest. The System Administrator monitors and implements all access privileges for investigators along with monitoring hotline cases.

Analytic reports are available in EthicsPoint. Reports are run by the System Administrator on a regular basis to review and monitor cases. Monitoring cases can help identify trends, compliance risks including financial, legal and reputational risks and locations where violations are occurring. Data is also benchmarked against other organizations that use EthicsPoint to get a larger assessment on how the university's data compares to other organizations.

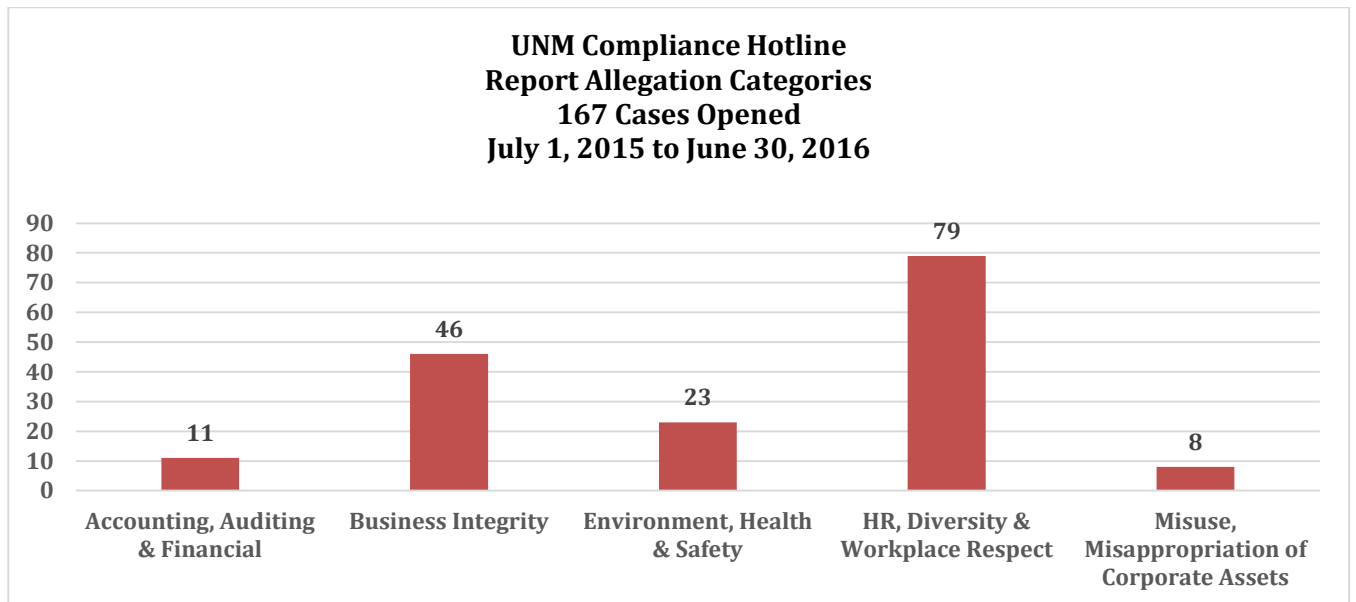**UNM Compliance Hotline Data**
July 1, 2015 to June 30, 2016

- **Total Cases Opened by Quarter:** The first fiscal year of hotline reports from the EthicsPoint Incident Management System gives a baseline to analyze future years. There were 167 cases reported in FY 16. The first chart below shows the number of cases opened for each quarter. The second chart below shows the cases opened by quarter and includes the location where the report originated. Both charts show a steady increase in the number of cases. Analysis of FY 17 will determine if the upward trends continues.

UNM Compliance Hotline
Total Cases Opened by Quarter
167 Total Cases
July 1, 2015 to June 30, 2016

Quarter	Cases
Jul to Sep 2015	32
Oct to Dec 2015	36
Jan to Mar 2016	40
Apr to Jun 2016	59

UNM Compliance Hotline
Total Cases Opened By Quarter & Location
167 Total Cases
July 1, 2015 to June 30, 2016

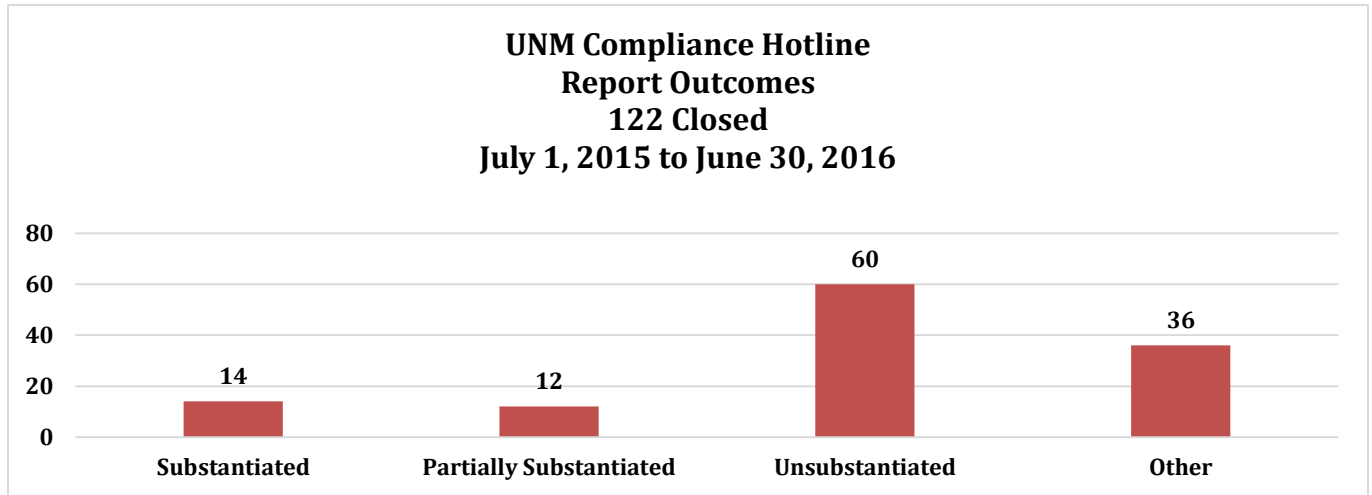| Location	Jul-Sep 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016
UNM Main	18	14	14	28
UNM HSC	10	12	7	19
UNMH	3	7	11	8
UNMMG	1	3	5	2
SRMC	0	0	2	2
Other Don't Know	0	0	1	0

- **Reporters Relationship to UNM:** It is important to determine the unique contacts received from all reporting channels. By tracking this information the university has the opportunity to observe trends and resolve issues proactively. Employees are currently reporting allegations more than any of the other contacts. Universities that document, evaluate and input reports from all contacts, including not just web and hotline, but also from walk-in, phone call, email, mail, etc., may have a better probability of resolving issues.

UNM Compliance Hotline
Reporters Relationship to UNM
167 Cases Opened
July 1, 2015 to June 30, 2016

Category	Value
Employees	110
Students	11
Patients	2
Former Employees	2
Parent	1
Vendor	1
Other Anonymous	40

■ July 1, 2015 to June 30, 2016
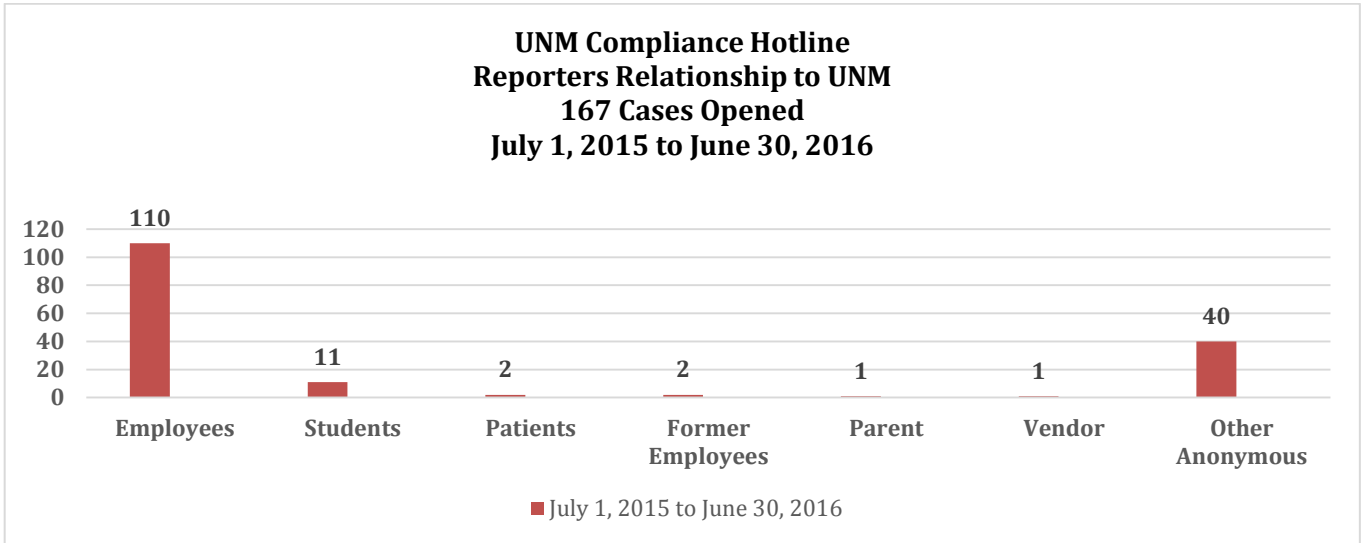
- **Report Allegation Categories:** The seventy plus issues available for reporting in the UNM Compliance Hotline have been narrowed down into five categories for reporting and benchmarking purposes. The five categories, recommended by Navex Global, give UNM the opportunity to benchmark statistics with other organizations. By tracking the reports in each category problem areas can be identified and resolved before they escalate into potential risks.

UNM Compliance Hotline
Report Allegation Categories
167 Cases Opened
July 1, 2015 to June 30, 2016

| Category	Value
Accounting, Auditing & Financial	11
Business Integrity	46
Environment, Health & Safety	23
HR, Diversity & Workplace Respect	79
Misuse, Misappropriation of Corporate Assets	8

3

- **Anonymous and Named Reporters:** Out of the 167 reports received, 92 reporters were anonymous and 75 were named. Names are sometimes withheld out of fear of retaliation or to not become involved. The number of reporters identifying themselves may increase when they are feeling secure and protected from retaliation.

- **Report Outcomes:** During FY16, 122 cases were closed. Out of those 14 were Substantiated, 12 were Partially Substantiated, and 60 were Unsubstantiated. There were 36 cases that had other outcomes such as Insufficient Information, Inquiry Resolved and No Response to Follow-up. Having a higher substantiation rate might suggest that reporters were well informed about the cases they report and that investigations have been effective.

UNM Compliance Hotline
Report Outcomes
122 Closed
July 1, 2015 to June 30, 2016

Outcome	Count
Substantiated	14
Partially Substantiated	12
Unsubstantiated	60
Other	36

- **Case Closure Time:** The total days to close 122 cases was 6,590 days. This calculates to an average case closure time of 54 calendar days. The average case closure time has been slowly rising. There could be several reasons for this rise. This number might be an indicator that there may not be enough resources to address any increase in reports. Cases should be resolved in a timely manner to avoid the perception that the university doesn't listen and respond when reporters decide to report an allegation.

- **Related Cases:** Two or more cases concerned with the same or similar topics of investigation are associated in the hotline as related cases. The chart below shows there were 37 related cases, displayed by location, for the time period, July 1, 2015 to June 30, 2016. Additional information or allegations reported in a new hotline case that involve similar cases already in the hotline are associated through related cases.

UNM Compliance Hotline
37 Related Cases
July 1, 2015 to June 30, 2016

Location	Related Cases
UNM Main	20
UNM HSC	10
UNMH	7
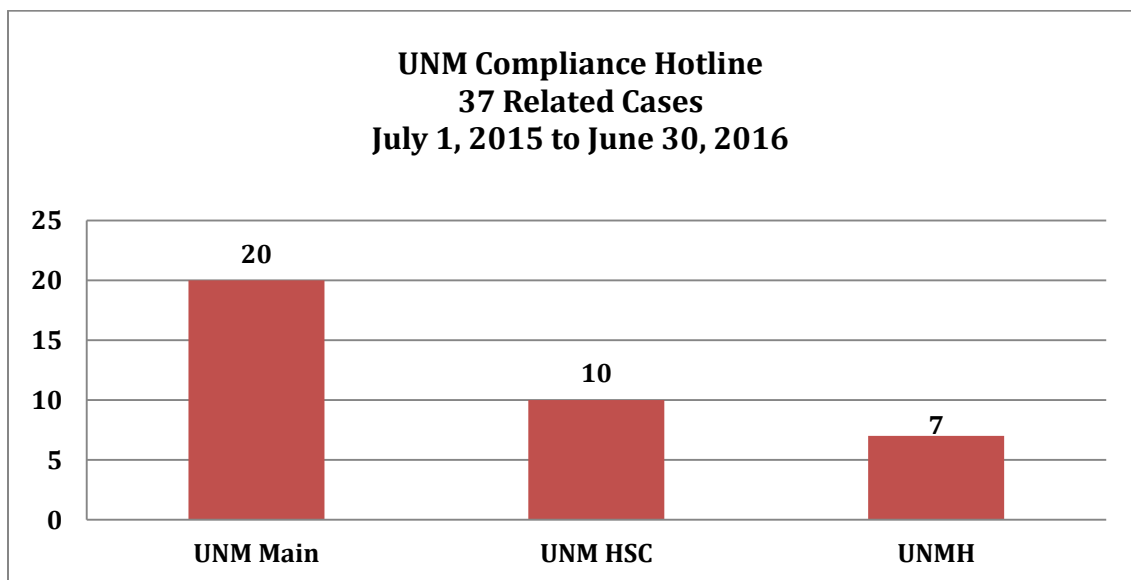
August 16, 2016

To:	Chairman Fortner and members of the Audit and Compliance Committee
From:	Amy Wohlert, Chief of Staff
About:	Compliance Office Quarterly Report

Office Transition Update

1. Staffing

Chief Compliance Officer Helen Gonzales announced her intention to retire in 2016. Thus, her contract was not renewed when it expired on June 30, 2016. She was rehired in a .50 FTE term appointment as a consultant in order to provide continuity of service and a smooth transition for the organization. Her term will end on October 31, 2016.

Elizabeth (Libby) Rodke Washburn has been hired on a one-year, non-renewable professional service contract to serve as interim Chief Compliance Officer. She will begin on September 6, 2016. During the coming year, we expect to engage in an open search for the permanent position.

Compliance Specialist Eileen Sanchez, with assistance from Helen Gonzales, has continued to assure provision of necessary services during this transition period. Ms. Sanchez:

- Monitors and maintains the EthicsPoint Hotline system, controls access, ensures confidentiality
- Works with compliance partners (UNMH, UNMMG, HSC, Internal audit, OEO, HR, Academic Affairs, Research Compliance, UNM Police, Safety and Risk, Student Affairs, branch campuses) to ensure response to Hotline entries
- Assigns cases to appropriate departments, prioritizes, and escalates as needed
- Develops and distributes processes and procedures for departmental investigations
- Provides regular analytic reports of Hotline entries
- Maintains and updates the Compliance Matrix of Federal, State, and local laws, regulations, and policies that apply to higher education, and runs reports as requested.
- Administers the "Protection of Minors on Campus" policy
- Participates in relevant UNM committees
  - Loss Prevention and Control
  - Insurance
  - IT Incident Response
  - LoboRESPECT Steering
  - Title IX
  - Clery

2. Re-organization

Following extensive analysis by HR specialists, reorganization has been proposed to improve efficiency of the compliance functions within the President's Organization. The affected units are the Office of Equal Opportunity, Staff Dispute Resolution, Compliance Office, and Internal Audit. In the near future, parallel units in HSC will be evaluated as well, to determine if there is potential for increased efficiency without compromising necessary authority, autonomy and confidentiality. Compliance functions that report through the EVP for Administration and the Provost/EVP for Academic Affairs, such as Safety and Risk and Research Compliance, are not included in this reorganization.

The goal of the reorganization is to give the Chief Compliance Officer responsibility for consolidation, integration, or coordination of administrative functions among these units, overseeing shared services where possible and providing consistent communication among the participants so these compliance units can maximize their effectiveness without overlap of services or lack of coverage. The Chief Compliance Officer will facilitate communication among the units and with partner entities university-wide to ensure that our compliance functions are comprehensive and current.

The reorganization will respect the separate authorities and duties of Internal Audit and the Compliance Office, as described in Regents Policies 3.7: *Health Sciences Center Institutional Compliance Program*, 7.2: *Internal Auditing and Compliance*, and 7.3: *Audit and Compliance Committee*.

3. On-going projects and processes

The Office continues to develop compliance processes and support ongoing mitigation efforts:
- The Minors on Campus Committee has finalized a policy, waiver form and a checklist. We are working with Employee & Organizational Development on a training program to support the new Protection of Minors on Campus policy.
- The Policy Office Director, Pamina Deutsch, is convening a group this fall to proceed with necessary revisions of the Whistleblower policy.
- The Office of Equal Opportunity is collaborating with the Compliance Office on procedures and practices related to the hotline system and to reporting, tracking, and closing out investigations.

Washburn Appointed Interim Chief Compliance Officer
8/15/2016

Libby Rodke Washburn is joining the President's office as interim Chief Compliance Officer for a one year term. She will begin work on September 6, 2016.

During nearly two decades since graduating from UNM School of Law, Washburn has worked in Albuquerque, but also in Boston, Minneapolis, Tucson, and Washington, D.C., in a range of capacities. Most recently, she has served as the Chief of Staff to the Deputy Secretary of the U.S. Department of the Interior in Washington, D.C. She provided leadership and strategic direction to multiple offices within the Interior Department as she supervised and monitored progress on risk management goals for the White House. In addition, she guided responses to contentious congressional oversight investigation requests from the U.S. Senate and House of Representatives oversight committees.

Washburn has served as an attorney in private practice and for the U.S. Senate and U.S. Department of the Interior, carrying out a variety of legal tasks related to compliance work. While working at the Udall Foundation, she assisted the U.S. Institute for Environmental Conflict Resolution with numerous mediations around the country and special dispute resolution projects of national significance. She also has experience at major research universities, working with senior management, administrators, and faculty at both the University of Arizona's James E. Rogers College of Law and the University of Minnesota Law School.

Washburn has served as a board member on the Disciplinary Board of the New Mexico Supreme Court, New Mexico Minimum Continuing Legal Education Board, and the New Mexico Legal Aid Board. She holds a Bachelor of Arts in Journalism and Communications from the University of Oklahoma, a Master of Arts in Government from Texas Woman's University, and a Juris Doctorate from the University of New Mexico School of Law.

Executive Compliance Committee

July 20, 2016
2:00 – 3:00 PM
HSSB 316 Conference Room

ITEM	PRESENTER	PURPOSE	TIME
Announcements/Standing Items	Stuart Freedman	Information	5 min
HSC Compliance Metrics	Stuart Freedman	Information	10 min
Brochures • Compliance • Privacy	Stuart Freedman	Information	10 min
Compliance Posters • English • Spanish • Vietnamese	Stuart Freedman	Information	10 min
Code of Ethics – Available online in: • English • Spanish	Stuart Freedman	Information	10 min
Next Meeting September 21, 2016			
Attachments 1. HSC Compliance Metrics 2. Brochures (2) 3. Compliance Posters (3) 4. Code of Ethics – website screenshot			

CONFIDENTIAL

TO: Executive Compliance Committee

FROM: Stuart Freedman, HSC Chief Compliance Officer

RE: May & June Report

DATE: July 20, 2016

Introduction

        The University of New Mexico's Health Science Center (HSC) serves its community through its three missions of patient care, education and research. The HSC has adopted a Compliance Plan in accordance with the Seven Elements of an Effective Compliance Program. This report contains information to assist HSC leadership and the HSC Board of Directors in evaluating and responding to compliance risks.

Organizational Matters

        The HSC Executive Compliance Committee last met on May 18, 2016.

1. **Written policies and procedures** must reflect the current regulatory environment and HSC business practices. Although there are many policies and procedures at the HSC, this report only list new or revised compliance polices.

Responsible Department	New Policy/Revision
Research	HSC Export Control 3.01: Record Retention (New)

2. **Training and education** about compliance is provided to HSC faculty/staff both online and live.

Live Training: May & June 2016

Department	Individuals	Sessions (attendance #'s not provided)
UNM CC	26	-
UNMMG/UNM Hospitals	45	-
UNM SRMC	-	1
HSC PRIVACY	155	-
HSC RESEARCH & EXPORT CONTROL	75	-
CCO	165	-

Online Training

Compliance training: CLT1526, HSC1526, CLT1626 & HSC1626

HIPAA training: HIPAA15 external, HIPAA15, HIPAASEC15, HIPAASEC15 external, HSC HIPAA15, HSC HIPAASEC15 (this includes HSC and UNMHS), HIPAA16 external, HIPAA16, HIPAASEC16, HIPAASEC16 external, HSC HIPAA16, HSC HIPAASEC16 (this includes HSC and UNMHS), SRMC HIPAA 16, SRMC HIPAA Sec 16

| Online Training	May & June	2016 Total
Compliance	[#]4,709	8,543 (53%)
HIPAA	*3,950	20,663

[#]Note: This includes the UNMH and UNMHSC

*Note: This encompasses HSC, UNM, contractors, etc.

Total # of employees assigned on 7/13/16 is 16, 131 (composed of HSC, UNMH, and UNMMG)

3. **Open lines of communication** – multiple avenues for compliance questions/concerns to be shared.

Intake Method for Period: May & June 2016
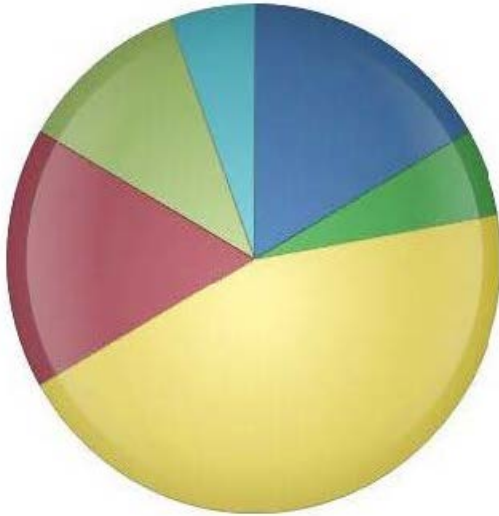
IntakeMethod		
■	1. E-mail	3
■	2. Employee Walk-In	1
□	3. Hotline Phone	8
■	4. Hotline Web	3
□	5. Letter / Mail	2
■	6. Phone	1
Total		18

Intake Method for Period: January - June 2016
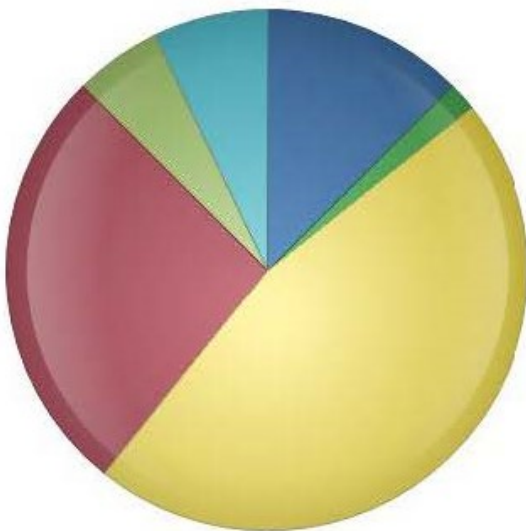
IntakeMethod		
■	1. E-mail	7
■	2. Employee Walk-In	1
□	3. Hotline Phone	26
■	4. Hotline Web	15
□	5. Letter / Mail	3
□	6. Phone	4
Total		56

4. Responding promptly to detected offenses - HSC will identify noncompliance, partnering with effected areas.

New Cases: May & June 2016

	Issue	Cases	% of Total
■	1. Human Resources - Bullying	1	5.6%
■	2. Human Resources - Employee Misconduct	1	5.6%
□	3. Human Resources - Offensive or Inappropriate Communication	3	16.7%
■	4. Human Resources - Other Human Resource Matters	1	5.6%
□	5. Human Resources - Threat or Inappropriate Supervisor Directive	1	5.6%
□	6. Human Resources - Time Abuse	2	11.1%
■	7. Human Resources - Unsafe Working Conditions	1	5.6%
□	8. Information Technology - Malicious / Inappropriate Use of Technology	1	5.6%
■	9. Medical - Healthcare Fraud	1	5.6%
■	10. Medical - Patient Care	3	16.7%
□	11. Other - Inquiry	1	5.6%
□	12. Other - Other	1	5.6%
■	13. Risk and Safety Matters - Other Risk and Safety Matters	1	5.6%
	Total	**18**	

New Cases: January - June 2016

	Issue	Cases	% of Total
■	1. Academic Affairs - Alcohol / Drug Possession or Abuse	1	1.8%
■	2. Accounting and Financial - Fraud	3	5.4%
■	3. Accounting and Financial - Improper Supplier or Contractor Activity	1	1.8%
■	4. Accounting and FInancial - Other Financial Matters	1	1.8%
■	5. Accounting and Financial - Theft / Embezzlement	2	3.6%
■	6. Human Resources - Bullying	4	7.1%
■	7. Human Resources - Employee Misconduct	4	7.1%
■	8. Human Resources - Offensive or Inappropriate Communication	6	10.7%
■	9. Human Resources - Other Human Resource Matters	5	8.9%
■	10. Human Resources - Retaliation	2	3.6%
■	11. Human Resources - Threat or Inappropriate Supervisor Directive	2	3.6%
■	12. Human Resources - Time Abuse	3	5.4%
■	13. Human Resources - Unsafe Working Conditions	1	1.8%
■	14. Human Resources - Workers Compensation or Disability Benefits Abuses	1	1.8%
■	15. Information Technology - Data Privacy/Integrity	1	1.8%
■	16. Information Technology - Malicious / Inappropriate Use of Technology	1	1.8%
■	17. Medical - Healthcare Fraud	1	1.8%
■	18. Medical - HIPAA	4	7.1%
■	19. Medical - Patient Care	7	12.5%
■	20. Other - Inquiry	1	1.8%
■	21. Other - Other	1	1.8%
■	22. Risk and Safety Matters - Other Risk and Safety Matters	2	3.6%
■	23. Sexual Violence and Sexual Misconduct	2	3.6%
	Total	**56**	

Privacy Matters: May & June 2016
(entrypoint other than EthicsPoint)

■ UNMH - 31 ■ HSC - 19 ■ UNMMG - 5 ■ UNMSRMC - 5

Privacy Matters: January - June 2016
(entrypoint other than EthicsPoint)

■ UNMH - 86 ■ HSC - 43 ■ UNMMG - 10 ■ UNMSRMC - 13

5. Internal monitoring and auditing helps the HSC identify and correct noncompliance. This report includes information about reviews of ongoing processes (monitoring) or past events (auditing).

Department	External Compliance Reviews	Closed External Reviews	Internal Compliance Reviews	Closed Internal Reviews
UNM CC	0	0	1	0
UNM HOSPITALS	1	0	0	0
UNMMG	3	0	12	7
UNMSRMC	0	0	0	0
HSC R & E CONTROL	3	0	0	0
HIPAA	1	0	0	0
HSC SECURITY	0	0	*156	*156

*Includes: events, intrusion detection, social engineering, spam, unauthorized physical access/theft reporting, virus/malware event and requested security reviews for IT Projects.

5. **Enforcing standards through well publicized disciplinary guidelines** means that when we identify potential noncompliance, it is addressed.

January - June 2016
Note: Select one means that those cases are still in process.

Outcome		
■	1. - Select One -	13
■	2. Duplicate Case	1
□	3. Inquiry Resolved	7
■	4. Insufficient Information	3
□	5. Not in Jurisdiction	1
■	6. Not Legal/Policy/Ethics Violation	1
■	7. Partially Substantiated	4
□	8. Substantiated	5
■	9. Unsubstantiated	21
Total		**56**
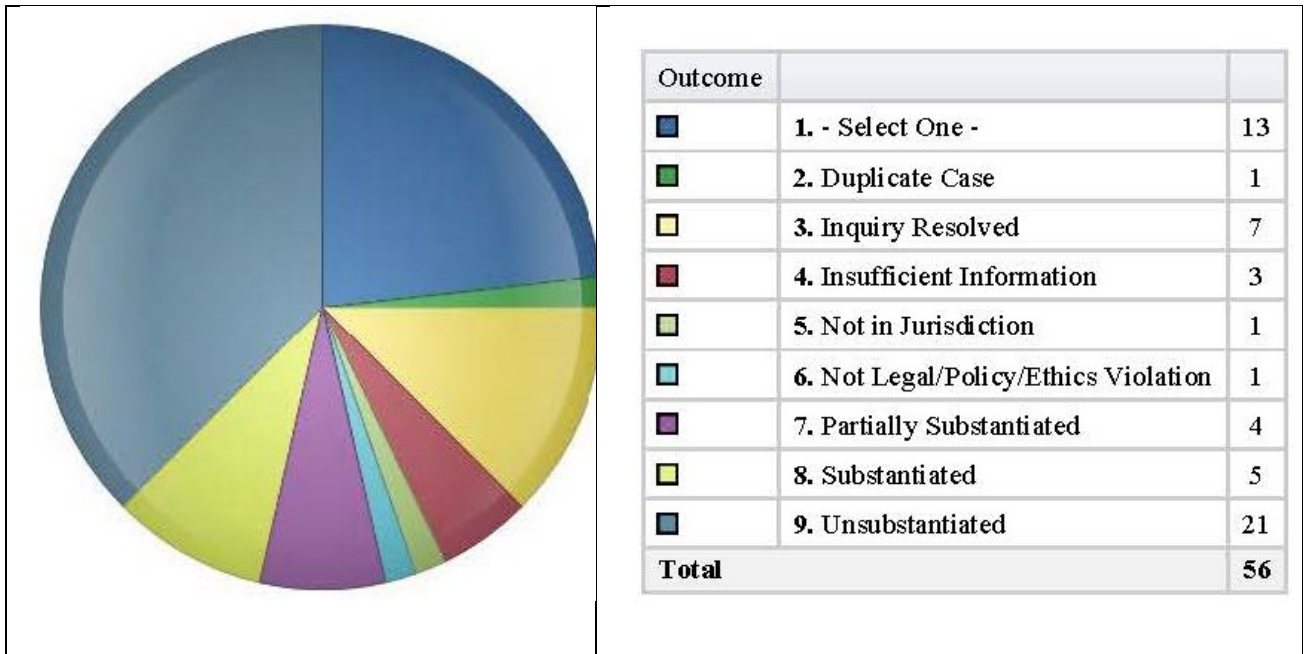
HSC Compliance Office

We are charged with coordinating compliance activities throughout the UNM Health Sciences Center.

- The HSC Compliance Office takes all questions and concerns seriously.

- All concerns may be reported anonymously.

- Everyone who contacts us should feel protected from any form of retaliation for reporting workplace violations

UNM
HSC COMPLIANCE OFFICE

UNM HSC Compliance Office
HSC Business & Communications Center
1650 University Blvd, NE
Albuquerque, NM 87102

hsc.unm.edu/admin/compliance
Email: compliance@salud.unm.edu
Phone (505) 272-4848
Fax (505) 272-3354

Here For You!

*Raising awareness
to empower the
HSC community*

What is Compliance?

Compliance is more than merely following the rules. It empowers everyone at the HSC to do the right thing to better serve our patients, our students and our community. Our job is to help you do that.

We do this by providing education and training, developing policies and procedures, providing an anonymous reporting hotline and using auditing, monitoring and investigations to ensure that we as an institution are doing the right thing.

At the core of our program is effective

- Communication
- Collaboration
- Customer service

What We Offer

Education and Training

We offer live and online training via Learning Central. We can also provide customized compliance training to your department upon request.

Policies and Procedures

HSC Compliance maintains policies and procedures to guide the workforce. The most important guidelines are contained in the HSC Code of Ethics, which sets expectations for good behavior by members of the HSC community.

24/7 Anonymous Reporting Through the Hotline, by Phone or Online

Anyone can ask questions or report compliance concerns anonymously.

Auditing, Monitoring and Investigations

These activities help ensure the HSC is doing the right thing and following the law.

How to Report

Remember, you have an ethical and professional responsibility to bring forward your questions and concerns.

There are several ways to report your concerns or to ask questions:

- Talk to your supervisor.
- Call, visit or email the Compliance Office.
- Report anonymously online: unm.ethicspoint.com
- **Call the HSC Compliance Hotline: 1-888-899-6092**
  - Calls can be made 24 hours/day, 7 days a week.
  - Operators available in more than 200 languages.
  - Calls can be made anonymously.
  - The Compliance Hotline is operated by a neutral third-party provider. No tracing or recording devices are ever used.
  - The Hotline can be reached from any location – even the privacy of your own home.

We coordinate compliance with the Health Information Portability and Accountability Act of 1996 (HIPAA) and its amendments under the American Recovery and Reinvestment Act, the Health Information for Technology for Economic and Clinical Health Act (HITECH), and the Omnibus Rule, all of which govern our responsibilities when handling personal protected health information.

UNM
HSC PRIVACY OFFICE

UNM Health Sciences Center Privacy Office
HSC Business & Communications Center
1650 University Blvd NE, Suite 3200
MSC 08 4760
Albuquerque, NM 87102

hsc.unm.edu/admin/privacy
Email: privacy@salud.unm.edu
Phone (505) 272-1493
Fax (505) 272-2461

Caring for Patients While Protecting Their Privacy

What is Patient Privacy?

Patient privacy is the ability to exercise control over the collection, use and dissemination of one's personally identifiable information. We ensure our patients' privacy by obtaining signed HIPAA consent forms authorizing the sharing of their information.

Our Vision

The HSC Privacy Office supports an environment of privacy-aware faculty, staff and students in order to better protect and serve our patients and community.

Our Values

- Honesty
- Integrity
- Respect
- Ethics
- Contribution

Our Mission

The Privacy Office provides direction on the protection requirements for federally protected health information, investigates and reports unauthorized disclosures of protected health information and acts as a resource for the university and the Health Sciences Center for matters involving information privacy.

Protected Health Information

We support the university's federally mandated responsibility to protect each individual's private health information, which generally cannot be disclosed without written authorization or permission. We can help educate departments and employees regarding the proper handling of such information, whether it is accessed internally or when consent is granted to a third party.

What We Offer

In-person HIPAA privacy training
In-person institutional and personal privacy training
Notice of privacy practices and acknowledgment of receipt (available in three languages):

- English
- Spanish
- Vietnamese

Available at: **http://hsc.unm.edu/admin/privacy**

Quick Sources

- Incident Notification Report Form
- Information on ID Theft, Fraud and Victims of Cybercrime
- Request In-Service Training

HSC Hotline

Ethics questions or concerns?

Audits
Procedures
Medicare
Conflicts
Anonymous
Billing
Patients
HIPAA
Privacy
Theft
Drug
Research
Safety
Waste
Training
Discrimination
Ethics
Coding
Abuse
Education
Harassment
Customer Service
Investigations
Irregularities
Medicaid
Fraud
Ethics Violations
Security

1-888-899-6092

Our toll-free anonymous and confidential hotline is available 24/7, 365 days a year.

To report by web: unm.ethicspoint.com

If you see something, say something!

UNM HSC COMPLIANCE OFFICE

UNM HEALTH SCIENCES CENTER

Đường dây nóng Trung tâm Khoa học Y tế UNM

HSC Hotline

Quan tâm hay thắc mắc về đạo đức?

vô danh

Thủ thuật
Medicare
Sự xung đột
Trộm cắp

Nghiên cứu
Sự Phân biệt
Dịch vụ chăm sóc khách hàng

Bệnh nhân
HIPAA
sự riêng tư
Lãng phí

Compliance

Hotline

Sự quấy rầy
Lạm dụng

Gian lận
Medicaid

Vi phạm đạo đức

an ninh

1-888-899-6092

**Chúng tôi có đường dây nóng ẩn danh và bảo mật miễn phí 24/24,
7 ngày một tuần, 365 ngày một năm.**

Báo cáo qua mạng: unm.ethicspoint.com

Nếu quý vị thấy điều gì, nói lên điều ấy!

UNM HSC COMPLIANCE OFFICE
PHÒNG TUÂN THỦ LUẬT LỆ

Línea directa del Centro de Ciencias de Salud de UNM

HSCHotline

¿Tiene preguntas o inquietudes sobre la ética?

Anónimo

Procedimientos
Medicare
Conflictos

Pacientes
HIPAA
Privacidad

Robo

Servicio de atención al cliente
Investigaciones científicas

Acoso

Compliance

Discriminación

Hotline

Facturación

Desperdicio

Abuso

Violaciones de la Codificación
Seguridad respecto al uso de medicamentos

Seguridad

Fraude
de Medicaid

Violaciones de la
Ética
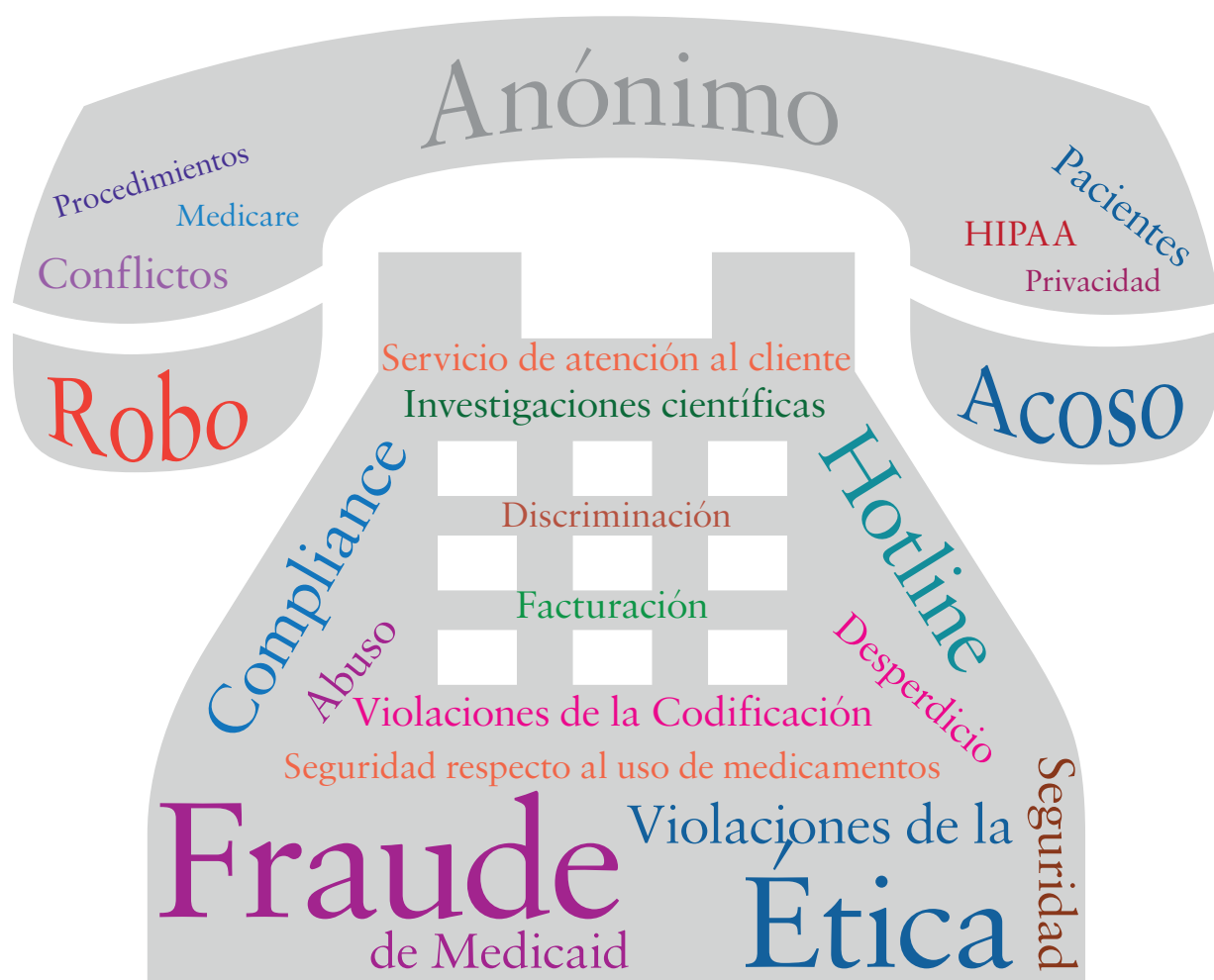
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UNM > HSC Administration > Compliance > Code of Ethics

Code of Ethics

At the University of New Mexico Health Sciences Center ("HSC"), we are committed to providing our faculty, staff, students, and patients a positive place to work, learn, and receive care. As part of that commitment, all members of the HSC should act according to the highest ethical standards. That means that all of us are responsible for acting with integrity and professionalism and following the law.

The attached Code of Ethics is a guide to how to respond to many of the common ethical and legal challenges that members of the HSC community face every day. All HSC faculty, staff, students, and third-party affiliates are responsible for living up to the standards outlined in this Code of Ethics.

- Code of Ethics Policy (English)
- Code of Ethics Policy (Español)

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Follow Up Report - Recommendation Implemented (September 2016   Open Session)

Project Code	Project Name	Recommendation Title	Executive Recommendation	Response	Estimated Implementation Date	Recommendation Action	Actual Implementation Date	Responsible Party
2015-05	Safety and Risk Services	Reccomendation 2 - Annual Fire Safety Capital Funding Report	The Director of Safety and Risk Services should ensure that FSCFRs are completed annually and presented to the Board of Regents per the commitment in the response to the prior audit finding.	The Director of Safety and Risk Services agrees to do so. Due to changes in the Fire Safety Program, SRS will be issuing a combined FY 2014-2015 report. Beginning in FY 2016, SRS has formed and will staff the SRS Fire Safety Capital Committee. The purpose of this committee is to involve campus stakeholders in the identification and prioritization of fire capital needs. This committee will identify and vote on priorities that will be included in future FSCFRs. Otherwise, the items included in the report are based solely on the SRS staff's opinions and observations. SRS will also obtain input from the PPD Asset Condition Evaluation project whose goal is to inspect assets and develop BR&R funding requests. SRS has a representative involved in the PPD project.	6/30/2016	Received the FY2016 Fire Safety Capital Report. Note - the recommendation made was a $300,000 feasibility study to begin to address bringing Popejoy Hall, Rodey Theater and Keller up to fire code.	8/15/2016	Carla Domenici, Dir,Safety & Risk Services
2016-05	CTSC Food and Nutrition P-Card Use	Recommendation 2 - Management Review and Oversight	CTSC management should initiate a thorough review of monthly P-Card reconciliations and supporting documentation. CTSC management should increase oversight of the Bionutrition program.	Clinical Research Operations Manager and BioNutrition Supervisor meet biweekly to go over protocols and participants for next two weeks, number of participants will be determined.

  BioNutrition Supervisors reviews menus and recipes of active protocols for upcoming weeks and order form for produce and proteins will be determined.

  Clinical Research Operations Manager reviews order form prior to purchase and provides approval with documentation on order form.

  After items are purchased by BioNutrition Supervisor, the items are checked-in the inventory control system by the Laboratory Technician matching the items on the receipt to the order form. Documenting items on Check-In Log and Inventory Database.

  Clinical Research Operations Manager reviews Check-In log, receipt and order and verifies that all allowable items were purchased. Documenting this process on the order form. | 6/30/2016 | Internal Audit verified corrective action has been completed for this recommendation by verifying the following processes implemented by Bionutrition management. 1. The Clinical Operations Manager and Chief Administrative Officer now conduct a detailed review of P-Card reconciliations prior to submission to the CTSC accounting department. 2. The Clinical Operations Manager met with the supervisor at least bi-weekly to discuss meal design for current and new studies. Meetings occurred on 6/6/16 and 6/27/16 for the month of June, and 7/7/16 and 7/11/16 for the month of July. Example of meeting agendas and meal designs were also obtained for verification. 3. Internal Audit obtained "Meal Distribution Logs" to verify Bionutrition is tracking meal servings for studies. 4. Management developed forms to create shopping lists that must be approved by the Chief Administrative Officer prior to grocery shopping. Internal Audit obtained a copy of an approved shopping list for 6/7/17, and verified that shopping list was approved by CAO. | 8/2/2016 | Amy Overby, Clinical Administr Dir/CTSC. |

Project Code	Project Name	Recommendation Title	Executive Recommendation	Response	Estimated Implementation Date	Recommendation Action	Actual Implementation Date	Responsible Party
2016-05	CTSC Food and Nutrition P-Card Use	Recommendation 4 - Inventory Control	Inventory control procedures should be implemented to ensure food and beverages purchased for the Bionutrtion program are allowable and accounted for. Procedures should include: Preparation and review of shopping lists. Tracking of meal and beverage distribution. Cross-check of itemized receipts purchased with food and beverages transported to the Bionutrition kitchen. Inspections of the Bionutrition kitchen.	The plan below was implemented in November 2015. Standard Operating Procedure will be completed by June 30, 2016 to document this process in detail. Clinical Research Operations Manager and BioNutrition Supervisor meet biweekly to go over protocols and participants for next two weeks, number of participants will be determined. BioNutrition Supervisors reviews menus and recipes of active protocols for upcoming weeks and order form for produce and proteins will be determined. Clinical Research Operations Manager reviews order form prior to purchase and provides approval with documentation on order form. After items are purchased by BioNutrition Supervisor, the items are checked-in the inventory control system by the Laboratory Technician matching the items on the receipt to the order form.	6/30/2016	Internal Audit verified corrective action has been completed for this recommendation by verifying the following processes implemented by Bionutrition management. 1. Internal Audit obtained "Meal Distribution Logs" to verify Bionutrition is tracking meal servings for studies. 2. Management developed forms to create shopping lists that must be approved by the Chief Administrative Officer prior to grocery shopping. The CAO then reconciles receipts to the approved shopping list once purchases are completed. The cross-check is completed prior to sending groceries to the Bionutrition kitchen. Internal Audit obtained a copy of an approved shopping list for 6/7/17 and verified shopping list was approved by CAO. 3. Management developed an inventory tracking process. Inventory logs are maintained and updated when groceries are purchased and when items leave the kitchen. Management does periodic inspections of the Bionutrition kitchen when groceries are purchased and disposed of. 4. Management has developed approved Standard Operating Procedures for new processes implemented.	8/2/2016	Michael Briggs, Chief Administrative Officer: CTSC
2016-10	UNM Health Sciences Center Bake Sales - Cash Controls	Recommendation 1 - Inadequate Accounting	School of Medicine departments should use the Banner accounting system to record all cash receipts for the bake sales and use the UNM Purchasing system, through purchase order or P-card, for expenditures associated with the bake sale function and related programs or events.	We concur with Recommendation 1. On March 1, 2016, Banner Indexes were created for all divisions listed in this audit. All cash receipts for bake sale-like activities will be deposited through the University of New Mexico Cashier Office. All expenditures associated with the bake sale function and related program or events will be processed through the Banner system through a purchase order or P-card process. This same process will be followed for any Pediatric Division that is interested in having bake sale events. Indexes set-up: Cardiology – 9972E1 Effective 3/1/16 Pulmonary Index – 9972EG Effective 3/1/2016 Nephrology Index – 9972EH Effective 3/1/16 (997725 – existing foundation index) Endocrinology Index – 9972EJ Effective 3/1/16	5/31/2016	Banner Indexes were created for all divisions listed in this audit. All cash receipts for bake sale-like activities will be deposited through the University of New Mexico Cashier Office. All expenditures associated with the bake sale function and related program or events will be processed through the Banner system through a purchase order or P-Card process.	7/20/2016	Martha Cole McGrew,Chairperson

Project Code	Project Name	Recommendation Title	Executive Recommendation	Response	Estimated Implementation Date	Recommendation Action	Actual Implementation Date	Responsible Party
2016-10	UNM Health Sciences Center Bake Sales - Cash Controls	Recommendation 2 - Deposit of Monies	School of Medicine departments should make deposits of cash at the UNM Cashier Office the next business day following bake sales or any other activity involving cash collection. The deposit should be accompanied by a money list and posted to the appropriate Banner index and account code.	We concur with Recommendation 2. The Pediatric Department will follow UNM's Administrative Policy 7200, Section 2. A locked bag, supplied by the Cashier Office was obtained on March 23, 2016 to safely transport larger deposits to the Main Cashier Office. In Addition, Pediatrics will use the Bursar's courier service to transport any deposit ($500) or over. Deposits: -Cardiology: cash funds have been deposited into Banner Index 9972EI in the amount of $320.21 -Pulmonary: cash funds have been deposited into Banner Index 9972EG in the amount of $1,257.53 -Nephrology: cash funds were deposited in to a Foundation index 997725 (which was approved by Foundation) on 4/17/2015 in the amount of $386.00 - Endocrinology: cash funds have been deposited into Banner Index 9972EG in the amount of $91.20	5/31/2016	The Pediatric Department will follow UNM's Administrative Policy 7200, Section 2. A locked bag, supplied by the Cashier Office was obtained on March 23, 2016 to safely transport larger deposits to the Main Cashier Office. In Addition, Pediatrics will use the Bursar's courier service to transport any deposit ($500) or over. All outstanding bake sale funds have been deposited with UNM Cashier.	7/20/2016	Martha Cole McGrew,Chairperson
2016-10	UNM Health Sciences Center Bake Sales - Cash Controls	Recommendation 3 - Inadequate Internal Controls	School of Medicine departments should establish appropriate internal controls over cash collections from bake sales and the related expenditures on programs and events. The controls should include, but not be limited to the following: Control over the custody of cash receipts Separation of duties between cash handling and Banner access, record keeping and accounting Reconciliation of deposits and Banner accounting records Management review and oversight of the process	We concur with Recommendation 3. The Pediatric Department created a draft of written internal cash controls procedures in March, 2016 over cash collections from bake sales and the related expenditures on programs and events. The Department's draft cash controls document has been submitted to the Internal Audit department and the Executive Office for Finance and Administration. All Department employees to be involved in bake sales are required to take proper training over the Cash Control process. This would include Learning Central Cash Management Training as well as review of the Pediatric Department internal cash controls procedures document. The controls the Department Accounting Team will manage will include but are not limited to the following: · Controls over the custody of cash receipts · Separation of duties between cash handling and Banner access, record keeping and accounting · Reconciliation of deposits and Banner accounting records · Management review and oversight of the process	5/31/2016	The Department's cash controls document has been submitted to the Internal Audit department and the Executive Office for Finance and Administration. All Department employees to be involved in bake sales are required to take proper training over the Cash Control process. This would include Learning Central Cash Management Training as well as review of the Pediatric Department internal cash controls procedures document.	7/20/2016	Martha Cole McGrew,Chairperson

Project Code	Project Name	Recommendation Title	Executive Recommendation	Response	Estimated Implementation Date	Recommendation Action	Actual Implementation Date	Responsible Party
2016-10	UNM Health Sciences Center Bake Sales - Cash Controls	Recommendation 4 - External Bank Account	School of Medicine departments should strengthen internal controls over the bake sale process and prevent the establishment external bank accounts. Pediatrics should close the external bank account set up by Endocrinology and deposit the funds in an appropriate Banner Index.	We concur with Recommendation 4. The Pediatric Department has included in their draft of written internal cash controls procedures that external bank accounts are prohibited. Pediatrics has also specified the requirement for all divisions to obtain pre-approval of any and all bake sale events by both the Pediatrics CARE committee and Pediatrics Accounting department to ensure proper controls and processes are being followed and overseen. This will also be communicated in the internal Pediatrics required cash controls training that will be given to employees wishing to participate in bake sale events. Endocrinology has closed their external bank account and the Pediatrics Accounting Team deposited the cash funds through the Bursars office into the established Banner index.	5/31/2016	Pediatrics has specified the requirement for all divisions to obtain pre-approval of any and all bake sale events by both the Pediatrics CARE committee and Pediatrics Accounting department to ensure proper controls and processes are being followed and overseen. This will also be communicated in the internal Pediatrics-required cash controls training that will be given to employees wishing to participate in bake sale events. Endocrinology has closed their external bank account and the Pediatrics Accounting Team deposited the cash funds through the Bursars office into the established Banner index.	7/20/2016	Martha Cole McGrew,Chairperson
2016-10	UNM Health Sciences Center Bake Sales - Cash Controls	Recommendation 5 - Cash Handling Training	Employees engaged in cash collection during bake sales at HSC should take the mandatory cash handling training required by UNM Administrative Policy 7200.	The HSC Senior Executive Officer for Finance & Administration agrees to the recommendation and will send a memo to HSC Deans, Directors, Department Chairs and Administrators regarding UNM Administrative Policy 7200 and the mandatory cash handling training. Currently the HSC Unrestricted Accounting Division conducts random Money List Reviews to examine department's understanding of and compliance with UNM Policies and the presence of internal departmental controls in the area of handling and depositing funds. Departmental Money List Review objectives are twofold. One objective is to allow the reviewer to learn about department processes and become familiar with the department's procedures in the area of money lists and the handling of funds. This is done in order to evaluate compliance with UNM Business Policies as well as sufficiency of internal control practices. The other objective is to observe all money list documentation kept by the department and summarize any concerns noted as well as make recommendations where appropriate.	6/1/2016	The HSC Senior Executive Officer for Finance & Administration has distributed a memo to HSC Deans, Directors, Department Chairs and Administrators regarding UNM Administrative Policy 7200 and the mandatory cash handling training.	7/20/2016	Ava Lovell,Exec Ofcr Fin & Admin/HSC,Sr

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2016-10	UNM Health Sciences Center Bake Sales - Cash Controls	Recommendation 6 - Establish Cash Controls over Bake Sales at HSC	The HSC Controllers office should strengthen the internal controls over bake sale type activities at HSC, making sure that the monies are timely deposited in appropriate indexes.	HSC Financial Services Division agrees that a process needs to be established to monitor bake sale activities at the Health Sciences Center. It recommends that each College establish a permission form be submitted to them in advance for units who wish to sponsor these charitable events. Cash custodians would be identified as part of the application process and training compliance could be verified prior to the date of the event. The college should require a fundraising report at the conclusion of the event to ensure all monies have been accounted for in the Banner Finance System. Subsequent requests for events should not be granted if a unit does not comply with these new standards. The HSC Senior Executive Officer for Finance & Administration will send a memo to HSC Deans, Directors, Department Chairs and Administrators regarding UNM Administrative Policy 7200 and the above mentioned guidance.	6/1/2016	HSC Financial Services Division directed each College to establish and submit a permission form in advance for units who wish to sponsor these charitable events. Cash custodians would be identified as part of the application process and training compliance could be verified prior to the date of the event. The college should require a fundraising report at the conclusion of the event to ensure all monies have been accounted for in the Banner Finance System. Subsequent requests for events should not be granted if a unit does not comply with these new standards. The HSC Senior Executive Officer for Finance & Administration will send a memo to HSC Deans, Directors, Department Chairs and Administrators regarding UNM Administrative Policy 7200 and the above-mentioned guidance.	7/20/2016	Ava Lovell,Exec Ofcr Fin & Admin/HSC,Sr
2016-07	Men's Basketball P-Card Use	Recommendation 1 - Dishonest or Fraudulent Activities	The Athletics Chief Financial Officer should: File a report with the UNM Police Department for their investigation of unaccounted for cash advances, personal purchases, altered and falsified documentation totaling $63,411. File a claim with State Risk Management Division through UNM Safety and Risk Services. Work with the UNM Human Resources department to place former Team Operations Director on the UNM employee "Do Not Hire" list.	The Athletic Department (Department) will file a police report, as well as a claim with Risk Management to recover losses incurred. The Department will work with law officials on the findings of abuse in the report. The Department agrees that the employee should not be employed in the future at UNM. Athletics will work with the UNM Human Resource department to place the Men's Basketball Team Operations Director on the "Do Not Hire" list.	9/30/2016	1. A police report was filed on March 6, 2016 and the UNM Police Department is currently conducting an investigation. 2. Internal Audit noted an insurance claim has been submitted to Risk Management. 3. Internal Audit verified Human Resources placed the employee on the "Do Not Hire" list.	8/11/2016	Yvonne Otts,Financial Analyst

Project Code	Project Name	Recommendation Title	Executive Recommendation	Response	Estimated Implementation Date	Recommendation Action	Actual Implementation Date	Responsible Party

2016-07	Men's Basketball P-Card Use	Recommendation 4 - Cash Advance Limits	The Athletics Chief Financial Officer should establish and enforce reasonable cash advance limits for all Athletics P-Cardholders.	The adjustment limits for P-Card users across the Department, and the availability for cash options on cards has already been implemented. Exceptions for teams to have cash advances above approved limits requires Athletics Business Office, and P-Card Office approval.
				
				The Department has implemented policies that require P-Card users to notify their Sports Coordinator and Athletics Business Office prior to cash withdraws. The new policies are:
				
				Disciplinary Actions for Not Complying with Athletics Cash Advances
				  a. First time the P-Card user falls out of compliance with Athletics requirements, a document of conversation will be filed in the employees employment file
				  b. Second time P-Card user falls out of Athletics requirements, the employee will receive a written verbal warning.
				  c. Third time the P-Card user falls out of compliance with Athletics requirements, the p-card will be suspended indefinitely. The employee may receive a demotion and loss of pay for losing P-Card duties they were hired to perform
					7/31/2016	The P-Card office has implemented new processes for cash advances. Cash advances capabilities are now controlled by the P-Card office. Cardholders can only obtain a cash advance upon approval from the P-Card office on an as needed basis. When cash advances are approved, a receivable from the cardholder is created at the Bursar's office and a notification is sent to the cardholder. The cardholder can no longer obtain another cash advance until the existing advance is accounted for with required supporting documentation, and with any unused amounts paid back. The P-Card Manager keeps an updated listing for all outstanding cash advances, which is updated on a daily basis. In addition, cash advance requirements have also been added to the Cardholder Agreement.	8/11/2016	Yvonne Otts,Financial Analyst

2016-07	Men's Basketball P-Card Use	Recommendation 5 - Account Coding	The Athletics Chief Financial Officer should carefully review the Team Operations Director's unreconciled P-Card activity and reallocate charges to the correct account code within the appropriate index.	The Department has allocated charges from the P-Card of the former Operations Director to the proper indexes. Going forward, these charges will be reconciled and allocated as they occur.	5/31/2016	Management cannot reallocate expenses between account codes for FY 2016 since the books have already been closed. However, Internal Audit verified that 6th Man expenses were transferred from the Men's Basketball operating ledger prior to year end by JV 0533374. Internal Audit considers this recommendation implemented since reallocation of expenses between account codes can no longer be completed for FY 2016, and expenses related to 6th Man were properly transferred.	8/11/2016	Yvonne Otts,Financial Analyst

Project Code	Project Name	Recommendation Title	Executive Recommendation	Response	Estimated Implementation Date	Recommendation Action	Actual Implementation Date	Responsible Party
2016-07	Men's Basketball P-Card Use	Recommendation 7 - Finance Operations Manual	The Athletics Chief Financial Officer should develop a written comprehensive finance operations manual that outlines and enhances policies and procedures for specific business functions.	The Department solicited feedback from Mountain West schools on business manuals. The Department has taken its existing written policies and procedures and consolidated the comprehensive documents into one source. The consolidated manual has been distributed to existing staff, and will become a standard business practice for new staff members. All staff will be refreshed on the policies and procedures. The Manual will contain the following: 1. Procurement Card (P-Card) a. Athletics Department policies and procedures on P-Card b. P-Card Usage Tips c. Reconciliation Forms d. University Policies 2. Purchases a. Frequently Asked Questions for Allowable and Unallowable Purchases at Athletics b. Prohibited Uses of P-Card c. University Policies 3. Cash Advances a. Athletics Department policies and procedures on Cash Advances	7/30/2016	Internal Audit verified the Athletics' department developed a comprehensive business operations manual, effective 5/11/16. Key business process including P-Card, purchasing, cash advances, and travel guidelines are addressed in the manual.	8/16/2016	Yvonne Otts,Financial Analyst
2016-07	Men's Basketball P-Card Use	Recommendation 9 - Management Responsibility and Oversight (P-Card Office)	The P-Card Office should follow P-Card violation procedures for terminating P-Cards.	We agree with the recommendation and have already implemented our corrective action. We have recently begun a new process to cancel or suspend all P-Cards where the cardholder has failed to turn in their required monthly reconciliation for more than 60 days. Delinquent reconciliations will also be subject to additional scrutiny from our P-Card audit staff.	8/30/2016	The P-Card Manager stated late files are monitored closely and late notices are sent timely to both the Cardholder and Cardholder's Supervisor. Cards are suspended if a file is 60 days late. Internal Audit observed a detailed schedule maintained by the P-Card Manager which includes every cardholder, statement month, due date, and date submitted for review. The schedule allows the P-Card Manager to identify reconciliations that are more the 60 days late. Internal Audit observed notices sent to suspended cardholders' supervisors indicating the supervisor and/or cardholder has 30 days to appeal the suspension and reinstate their card. If supervisor or cardholder is not responsive within the 30 days, the card is permanently revoked.	8/18/2016	Peggy Sedillo,Mgr,Purchasing

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2016-07	Men's Basketball P-Card Use	Recommendation 10 - Communication of P-Card Issues	The Athletics Chief Financial Officer should communicate with P-Cardholders' direct supervisors when P-Card Reconciliation issues are noted.	Coaches and Department Heads will be notified if issues are noted during the reconciliation process for their P-Card users. P-Card users will receive online training through the University to obtain P-Cards, and regularly consult with Athletics Business Office staff on updated policy changes. The Department has been requested to serve on the new "Chrome River" P-Card testing steering committee. The Department will assist the Procurement Office with demonstrations, reconciliations and user perspectives on this new oversight system. Athletics users will all be trained in the new system which will be implemented July 1st. This new procurement module will provide "live time" results on purchases made by P-Card users.	10/31/2016	Athletics management and the P-Card Manager indicated that late files and purchase infractions are monitored closely and notices are sent to both the cardholder and their supervisor. Internal Audit verified an infraction notice sent to a Men's basketball P-Cardholder and noted the supervisor was included on the e-mail notice.	8/18/2016	Yvonne Otts,Financial Analyst
2016-07	Men's Basketball P-Card Use	Recommenadation 12 - Hiring Process	Policies and procedures requiring written reference checks should be enforced for both competitive and non-competitive hiring.	The Division of Human Resources agrees with the recommendation from Internal Audit. HR will work with the Department of Athletics to document the current hiring process for coaches as defined by Policy 3210, Section 5.13 Employment of Intercollegiate Coaches. This process will identify steps required to fill coaching positions either competitively or non-competitively and will specifically address the reference check process.	8/30/2016	The Vice President for Human Resources indicated that UAP 3210: Recruitment and Hiring will be enforced during the hiring process. Human Resources will verify that reference checks are documented before a hiring is made. Internal Audit verified reference checks completed for a recent hiring of an Athletics Coach 2 position.	8/17/2016	Dorothy Terese Anderson,Vice President,Human Resources

Project Code	Project Name	Recommendation Title	Executive Recommendation	Response	Estimated Implementation Date	Last Status Update	Actual Implementation Date	Responsible Party
2013-10	P-Card	Recommendation 2 - Implementation of new system to record and track hazardous chemicals and radioactive materials	The Purchasing department and SRS should implement a system which effectively records the purchase of hazardous materials and radioactive materials, and provides all relevant information to SRS for tracking.	SRS purchased the Enterprise Re-Agent Manager (ERM) software and is implementing this software in five UNM Departments effective August 2013. This ERM software will replace ICID. ERM is a SciQuest Product that communicates with Banner. Purchasing and SRS are working as a team to populate the ERM software with data from Chemical and Research Laboratory Supplies (CRLS). SRS established a main campus Chemical and Laboratory Safety Committee and is working with the committee to attempt to implement ERM campus-wide. SRS needs the support of UNM management to promulgate policies to require the use of ERM software and the inventory of chemical and radioactive materials.	12/31/2016	The recommendation can be closed upon full implementation of Recommendation #18 in a Safety & Risk Services follow up audit (2015-15).		Carla Domenici, Dir,Safety & Risk Services
2013-01	Review of College of Arts and Sciences Operations	Implementation of Process to Track Research Activities	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. The products of three vendors responding to the RFP are being evaluated Fall 2014, and a decision on purchase is expected to be made by January 1, 2015. Actual implementation of the software is expected to be completed by December 15, 2015.	5/31/2016	The Provost's office has been fully engaged in completing the roll out of UNM's Cohort Analytics application for tracking Faculty Research. The Provost's office believes they will have this completed by the end of February 2016, and they can start to investigate the ability to include some public data sets related to faculty productivity (probably Google Scholar) into the APR process. The Provost's office has requested, and received approval, for an extension until May 31, 2016 for full implementation.		Greg Heileman, Associate Provost; Chaouki Tanios Abdallah
2013-15	Safeguards for Protecting Private Data– Service Providers and Contractors	Recommendation 1 - UNM Information Security Program	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.	1/31/2017	Per the CIO, IA is in receipt of a memo outlining how the proposed UNM Security Program compares to benchmark institutions. IT is awaiting IA's approval to implement the entire Security Program as designed. Per IA, information submitted is not sufficient to clear the recommendation.		Gilbert Gonzales,Chief Information Officer
2013-15	Safeguards for Protecting Private Data– Service Providers and Contractors	Recommendation 2 - University Information Security Function	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 and makes quarterly reports to senior management on the status of information security at UNM.	7/31/2016	The KSA report submitted on June 22 acknowledged Security as an Enterprise concern. Budget, authority and advisory structures are yet to be assigned. Proposal to establish enterprise information security is being developed for presentation to the IT Executive Governance in this fiscal year.		Gilbert Gonzales,Chief Information Officer

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2013-29	Review of College of Education Operations	Recommendation 3 - Time to acquire a degree at UNM COE	The Dean of the College of Education should work with Office of the Provost to ensure any redesign of the College addresses the Provost's recommendation for reducing minimum credit hours for degree programs.	A college-wide Curriculum Review has been underway since 2013; one objective of the review is to reduce the required number of credit hours in each bachelor degree program to 120 hours, or close to it. The NM PED requires 57 credit hours in core courses for teacher preparation programs. The PED is reviewing this requirement. The Early Childhood Education program (ECE) is well under way to restructuring the program into a 5 year degree program, and in compliance with regulatory and accreditation agencies.	6/30/2016	02/18/2016 - No change in status on this recommendation. With the passage of SB 329 (Kernan's bill), the core requirements for college of education students has been reduced. While this provides additional flexibility with respect to our curriculum, it now requires a reworking of our initial licensure programs for submission to PED for approval. This will occur in fall 2015 for a spring submission for approval and implementation in fall 2016 in compliance with both this recommendation and SB 329.		Salvador Hector Ochoa, Dean
2013-29	Review of College of Education Operations	Recommendation 6 - Residency School	The Dean of the COE and the Provost office should consider developing a College of Education Teacher Preparation Residency School. Such a residency school could provide COE students with hands on training throughout their teacher preparation experience.	The College of Education will consider the Teacher Preparation Residency School as a part of the continuing re-imagining efforts and future direction of the College.	8/31/2016	02/18/2016 - With regard to establishing a residency school, in light of the current budgetary climate and current COE financial situation, funding is not available. However, COE remains committed to approximating this model by embedding faculty into neighboring school districts.		Salvador Hector Ochoa, Dean
2013-29	Review of College of Education Operations	Recommendation 7 - Field Services Assessments	The College should consider establishing a coordinated clinical field service assessment program to effectively provide feedback while teacher candidates are conducting field service and to follow up with them after graduation. Consider changes in programs to include student field service experience earlier in the program/student experience and establish a program to assess the effectiveness of traditional field service.	The College established a Field Services Portal (the first of its kind in NM) for feedback between teacher candidates and supervisors during the entire field service experience. This portal undergoes continuous improvement to facilitate and enhance feedback and communication with candidates, staff and supervisors. The College also utilizes the TK-20 assessment system to collect observations on students' learning and can be accessed by our alumni to store their teaching and learning dossiers.

In addition, the Center for Education Policy Research is conducting a separate program evaluation of the Co-Teaching Collaborative model as part of its two-year pilot program (FY14 and FY15). FY14 is the first year for which this type of data is being gathered. | 8/31/2016 | 2/18/2016 - No change in status on this recommendation. The college plans development of a Fitness to Teach model during FY16 to provide feedback to students who are meeting expectant standards while doing their field services. Additionally, the College is utilizing the TK-20 system to collect longitudinal data to analyze the effectiveness of our program and field service component. This is in accordance with the requirements of the national accreditation agency (CAEP) for the College of Education. The effectiveness of these efforts will be evaluated as part of the annual reporting requirements of our national accreditation agency. | | Salvador Hector Ochoa, Dean |
| 2013-29 | Review of College of Education Operations | Recommendation 8 - Expand Field Service to Rural NM | The Dean of the COE should work with the Provost's Office to develop a permanent funding model for field service, and explore expansion of the Co-Teaching Collaborative School model within the Teacher Education Department, to other departments within the College, and to rural areas of New Mexico. | The new COE Dean and the Provost will explore funding possibilities for Field Services, and further examine possibilities for expanding the Co-Teaching Collaborative School model in Teacher Education and other areas of the college. Rural areas of New Mexico will also be included. | 8/31/2016 | 2/16/2016 - No change in status on this recommendation. A cost analysis of all field services models in effect for AY15-16 will be performed to serve as a focal point for conversations with the Provost and Budget offices. | | Salvador Hector Ochoa, Dean |

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2015-14	Cancer Center Portable Devices	Recommendation 5 - Archived PHI	The Chief Financial Officer of the CC should explore the feasibility of using the PACS system for archiving information.	UNM Cancer Center will investigate the possibility of utilizing a PACS system for archiving ongoing treatment and planning data.
				
				  In regards to existing archived storage on portable CDs, UNM Cancer Center is currently in the process of moving this data from the CD archives to a shared network folder. The transition of this data to the network folder to be completed by April 30, 2015.
				  In regards to archived storage on tape media, an RFP to be issued for the permanent archive of this media from tape to a networked server/folder. To be completed by June 30, 2015.
					1/31/2017	Extended to 1/2017		RODNEY MARTINEZ,Chief Financial Officer: UNM Cancer Center

2015-02	UNM Taos	Recommendation 6 - Develop Policies and Procedures for Employer Issued Smart Phones	In addition to UAPP 7710, UNM-Taos should further develop policies and procedures that require smart phones to be tagged, monitored, and inventoried.	A detailed inventory will be conducted on employee issued cell phones, a property ID tag or other suitable identifier will be assigned to each phone and use levels monitored on a quarterly basis. The Process for identifying the phone hardware serial numbers will be developed by the Business Office and IT departments. The Business and IT Departments will coordinate a sign out process in which individuals issued phones will acknowledge receipt, and get a handout with basic security requirements for using the phones, and procedures for enabling remote wiping by the employee being issued equipment. The procedures developed will adhere to guidelines in UAPP 7710.	6/30/2016	Internal Audit reviewed UNM Taos's Information Technology Security Standards, effective 7/1/16, and needs to verify inventorying of employee-issued smart phones.		Mario Suazo, Dir,Business Opns/Sm Branch; Unit IT Support Manager
2015-02	UNM Taos	Recommendation 8 - Develop General IT Security Policies and Procedures	UNM-Taos IT Department should document IT security policies and procedures, which enforce procedures for regular back-up and off-site storage of IT systems, developing a disaster recovery plan, and encrypting computers issued to employees.	UNM-Taos IT will develop an operations manual documenting IT security policies and procedures. Procedures will be modeled on those implemented at UNM-Valencia and Gallup. The IT department has already started developing the process for backups and offsite storage, and will identify disaster recovery procedures, test them regularly once the backups are working as expected. Encryption will be implemented on an ongoing basis for laptops assigned to faculty and staff.	6/30/2016	Internal Audit reviewed UNM Taos's Information Technology Security Standards, effective 7/1/16, and needs to determine if disaster recovery plans, back-up, and off site storage procedures have been addressed.		Mario Suazo, Dir,Business Opns/Sm Branch; Unit IT Support Manager
2015-02	UNM Taos	Recommendation 9 - All UNM Taos Employees Should Take Required Training	All UNM Taos faculty, staff, and student employees should take the required annual training courses.	Determine which faculty, staff and students employees are required to the take the training. Develop a communication mechanism to inform and remind those who need the training and provide notification to supervisors.	1/31/2017	The UNM Policy office has revised Policy 3290: Professional Development and Training to reflect that all UNM employees are now required to take certain mandatory training. The President's office indicated that all part-time and on-call employees have been uploaded into Learning Central so they can take the required training courses. On September 16, 2016, a notification will be sent out so that all supervisors can run reports to verify that all employees (full-time, part-time, and on-call employees) in their department have taken the required courses. Since required trainings are due by December 31, an extension has been requested, and granted, to January 31, 2017 to verify implementation.		Catherine O'Neill,Executive Dir,Br Campus; Debra Martinez, HR Administrator 2

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2015-03	Harwood Museum	Recommendation 7 - Art Collection Record Keeping	Harwood should (1) complete data entry of art collection items that are missing critical information, such as value and loaned items from other museums; (2) clean up duplicate data resulting from the database migration; (3) ensure the collection records are reviewed by the Director periodically; (4) report accurate value for fine art insurance coverage to UNM Safety and Risk Services based on data generated from the complete and accurate database.	Incoming and outgoing loans have been tracked in the new database since its August 1, 2014 launch. The previous database did not have that capability. By November 1, 2015, all data entry of collection items missing critical information, including value, when that information is available and clean-up of duplicate data entry items will be complete. Beginning immediately, the director will review collection records on a quarterly basis. A current, accurate valuation of the Harwood's entire collection will require the engagement of a professional appraiser. This is a significant expense that the Harwood's operating budget cannot currently support. The timeline for completing the collection valuation will be informed by the Harwood Board's fundraising strategies to address operating revenue shortfalls.	5/1/2017	Management stated that the art collection database is being updated simultaneously as they conduct the physical inventory. Collection data including historical values are being entered in the system as the inventory counts are conducted. Management believes that the value of the art collection will be available for insurance reporting purposes once the physical count is complete and the database is updated. Management also believes it's full physical inventory will be completed prior to the May 2017 deadline. Harwood requests a revised targeted deadline for updating the database to the same date as the full inventory (May 1, 2017) since the processes are being conducted simultaneously.		Dir,Harwood Museum
2015-03	Harwood Museum	Recommendation 8 - Art Collections Inventory	Harwood should complete a formal physical inventory for its collection items, maintain current inventory records, and notify Inventory Control of its certified inventory results within a year.	In keeping with professional best practices, the director will create a narrative description of protocol and timelines for inventory control. This information will be incorporated into the Harwood's Collections Management Policy. The new protocol and policy will be implemented by November 1, 2015. A formal physical inventory of the museum's 4,900 object collection will require additional funding, in order to support two temporary Curatorial Assistants who will conduct the inventory under the guidance of the Curator of Collections and Exhibitions. If new funding is identified by the Harwood Board, the inventory will be completed by May 1, 2017, in keeping with the American Alliance of Museums' recommendation that formal inventories take place every ten years. In the event additional funding to hire two new temporary employees is not forthcoming in FY16, the Director will work with UNM Human Resources to undertake a staffing analysis to ascertain whether a staffing reorganization could shift existing staff resources to the task of completing an inventory within one year as recommended.	5/1/2017	Management stated that Harwood is currently conducting it's full physical inventory (art collection) and believes it will be completed prior to the May 2017 deadline. Management also stated that the art collection database is being simultaneously updated as they conduct the physical inventory.		Dir,Harwood Museum
2015-01	Payroll Follow-Up Audit	Recommendation 1 - Payroll Adjustment Codes	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.	4/1/2017	Implementation of the Talent Management System (TMS) has been delayed until July, 2016. Implementation of the audit recommendations depended upon the full functioning of the TMS and has therefore also been delayed.		Elizabeth Metzger,University Controller; Julian Sandoval, Chief Financial Svcs Officer
2015-01	Payroll Follow-Up Audit	Recommendation 2 - Payroll Adjustment Late Paperwork Training	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.	4/1/2017	Implementation of the Talent Management System (TMS) has been delayed until July, 2016. Implementation of the audit recommendations depended upon the full functioning of the TMS and has therefore also been delayed.		Elizabeth Metzger,University Controller

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2015-01	Payroll Follow-Up Audit	Recommendation 3 - Administrative Fee	The University Controller's Office should consider charging an administrative fee to departments that submit late EPAFs or other employment documents, as well as for causing unnecessary payroll adjustments.	Payroll will assess options for a fee structure but would like to first determine the successful implementation of the remaining recommendations within this document, especially to identify the root causes of adjustments. Payroll also needs to see how the Talent Management Suite implementation impacts processes. The fee structure will be applied accordingly to departments, HR, and EDCs as applicable.	1/1/2018	Implementation of the Talent Management System (TMS) has been delayed until July, 2016. Implementation of the audit recommendations depended upon the full functioning of the TMS and has therefore also been delayed.		Elizabeth Metzger,University Controller
2015-01	Payroll Follow-Up Audit	Recommendation 4 - Develop a Policy to Ease the Administrative Burden	The University Controller's Office should work with the UNM Policy Office to develop (or amend) a policy to allow de minimus write-offs in order to ease the administrative burden of collection when the cost of collection exceeds the amount to be collected.	Payroll will submit revisions to the Policy Office. These revisions will depend on the analysis and corresponding direction taken in Recommendation 5 below.	10/1/2016	Implementation of the Talent Management System (TMS) has been delayed until July, 2016. Implementation of the audit recommendations depended upon the full functioning of the TMS and has therefore also been delayed.		Elizabeth Metzger,University Controller
2015-01	Payroll Follow-Up Audit	Recommendation 5 - Automated Tracking of Accounts Receivable	The University Controller's Office should research tracking of overpayments in the Banner Accounts Receivable module as a means to ease the administrative burden of manually tracking employee receivables.	Stale dated receivables will be written off. The Banner Accounts Receivable module will be assessed for tracking overpayments and is then intended to be utilized to track overpayments that require repayment of at least 2 pay cycles for that employee.	10/1/2016	Implementation of the Talent Management System (TMS) has been delayed until July, 2016. Implementation of the audit recommendations depended upon the full functioning of the TMS and has therefore also been delayed.		Elizabeth Metzger,University Controller
2015-01	Payroll Follow-Up Audit	Recommendation 6 - Assess One Source Portal	UNM HR should work with OFAS to assess the impact of new processes being implemented, especially Talent Management, on the hiring process instructions detailed in the One Source Information portal.	HR IT will work with the various Employment Data Centers (EDCs) to determine the current usage of the OneSource personnel action portal and to review the current content for accuracy of information. The EDC Team will then determine if it is appropriate to continue with the maintenance of the OneSource Portal and if so, develop an action plan for updating the OneSource content to reflect changes in hiring processes to coincide with the TMS implementation. If it is determined that OneSource should not be maintained then the EDCs will provide a recommendation to Administration on the appropriate mechanism to convey the hiring processes to departments.	1/1/2017	3/15/2016 - Implementation of the Talent Management System (TMS) is delayed until July 1, 2016. HR has completed the update of the One-Source portal to reflect current processes, and will incorporate any further changes due to TMS by July 1, 2016. 6/28/2016 - Talent Management has been further delayed to January 2017, and thus the implementation of related audit findings are also delayed to January 2017.		Dorothy Terese Anderson,Vice President,Human Resources
2015-01	Payroll Follow-Up Audit	Recommendation 7 - OFAS Adjustment Email Notification	OFAS should work with UNM IT to adopt an EPAF email notification system similar to the one developed by HR IT for UNM Staff.	OFAS will take the lead in soliciting IT's support to implement email notifications for faculty EPAFs before the end of the fall semester. OFAS will not implement all email notifications given their lack of resources and time to do so until the staff process is fully tested, implemented and assessed. OFAS will work with HSC and SOM Faculty Employment Areas.	3/31/2017	Implementation of the Talent Management System (TMS) is delayed until July 1, 2016. OFAS is working with IT to develop and test the EPAF notification system, but will not have a go-live date until after TMS is fully implemented.		Theresa Ramos,Dir,Faculty Employment & Svcs; Carol Parker, Sr. Vice Provost

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2015-01	Payroll Follow-Up Audit	Recommendation 8 - OFAS to Continue Automation of Processes	OFAS should expedite the transition to automated processing of contract renewal processes, and develop a time line to coincide with implementation of Talent Management. OFAS should work with UNM IT to further develop EPAF processes for employment transactions that are not currently using EPAFs.	June 30, 2016: OFAS will work with IT and HSC Faculty Employment Areas to develop additional EPAFs to automate existing paper employment transactions. July 1, 2015: The paperless contract renewals was implemented Main and Branch Campus Faculty. January 30, 2016: OFAS will work with HSC and SOM Faculty Employment Areas to utilize Talent Management for automating onboarding process for new hires with an integration of employee information from TM to Banner. However, fall hiring activity for AY 2016-17 will have started prior to the implementation of TM for Main and Branch Campuses; therefore, there will be delays if fully utilizing TM for Main and Branch Campuses until Spring/Summer 2016. All three faculty employment areas are and will continue to participate in the TM project.	3/31/2017	Implementation of the Talent Management System (TMS) is delayed until July 1, 2016. OFAS has completed several new EPAFs; however, OFAS is working with HSC on their timeline schedule and will not complete all of the EPAFs until after the implementation of TMS.		Theresa Ramos,Dir,Faculty Employment & Svcs; Carol Parker, Sr. Vice Provost
2015-01	Payroll Follow-Up Audit	Recommendation 9 - OFAS to Work with Payroll Department	OFAS should work with the Payroll Department to integrate their new processes with payroll department processes, work out kinks, discuss issues, and solve potential problems with the rollout of the new system.	OFAS will continue to collaborate with Payroll to complete vital error reports related to employment transactions; continue to meet to address gaps in the understanding of faculty related projects and/or to request their support in testing automation as needed.	3/31/2017	Implementation of the Talent Management System (TMS) has been delayed until July, 2016. Implementation of the audit recommendations depended upon the full functioning of the TMS and has therefore also been delayed.		Theresa Ramos,Dir,Faculty Employment & Svcs; Carol Parker, Sr. Vice Provost
2015-01	Payroll Follow-Up Audit	Recommendation 10 - HSC to Develop Additional EPAFs	HSC should work with UNM IT and UNM HR to further develop EPAF processes for employment transactions that are not currently using EPAFs.	The HSC Faculty Contracts Office will help develop ideas and implement new EPAFs with UNM HR and UNM IT for faculty employment transactions not currently using EPAFs. This is dependent on UNM IT programming the EPAFs into Banner.	3/31/2017	Implementation of the Talent Management System (TMS) has been delayed until July, 2016. Implementation of the audit recommendations depended upon the full functioning of the TMS and has therefore also been delayed.		Michael Schwantes,Dir,Fin Syst & Rstr Acctg
2015-01	Payroll Follow-Up Audit	Recommendation 1A - Required Training - 2015-01-A Stand Alone Report	The University's President should direct the Human Resources Department, the Office of Faculty Affairs and Services, HSC Faculty Contracts, SOM Office of Academic Affairs, and Graduate Studies to work with the UNM Policy Office to revise Policy 3290, clarifying that all University employees and academic volunteers must take mandatory training courses.	The President will direct appropriate offices to identify a mechanism to provide and track mandatory training to all employees, and will develop a mechanism to hold employees and managers responsible for compliance. Once the feasibility of expanding training has been verified, these offices will work with the UNM Policy Office to make appropriate revisions to UAP 3290 to reflect these changes.	1/31/2017	The UNM Policy office has revised Policy 3290 to reflect that all UNM employees are now required to take certain mandatory training. This finding has been assigned by President Frank to a group that is tasked with reviewing university-wide required training. 4/13/2016 - The team has configured the training delivery and tracking systems. Pending are status reports on training uploaded onto employees' Learning Central plans, and results of testing of the system, which will include: a. Required training modules for all employees, including interns, loaded into Learning Central plans. b. Reports of who has not yet taken required training. c. Identification of supervisors for accountability. Implementation is extended to January 31, 2017, with a status report on August 31, 2016.		Robert George Frank,President; Kevin Stevenson, Strategic Planner

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2015-05	Safety and Risk Services	Recommendation 1 - Fire Suppression Service and Sprinkler Repair	The Director of Safety and Risk Services should ensure that all five year flushing services identified in the FY2012 and FY2013 FSCFRs are addressed.	The SRS Fire Safety Budgets attached to the FY 2012 and 2013 FSCFRs include the services SRS staff anticipated would be necessary for code compliance. It is important to note that at the five year mark suppression systems undergo obstruction investigation and if necessary flushing. NFPA 25 requires five year obstruction inspections. Based on the findings of the obstruction inspection the vendor either flushes the system or waits five more years. All UNM buildings have undergone the obstruction inspections. Only buildings requiring the flushing will undergo that costly process. SRS will forward documentation of obstruction investigations and flushing during the time frame in question. SRS is now going to approach the preparation of the FSCFR in a more comprehensive and deliberate manner by forming the SRS Fire Safety Committee. Instead of including the items that SRS staff found to be of high priority, the work of this committee will provide a forum for campus stakeholders to identify, discuss and vote on priorities.	6/30/2016	SRS is working to complete the obstruction testing for buildings identified as behind in April and May 2016; once they are complete, IA will verify. SRS has formed a Fire Safety Capital Committee that has been meeting quarterly since August 2015. They provided the committee charter, meeting agenda and minutes. They are scheduled to have a list of recommendations for the FY2016 FSCFR. Once the FY16 FSCFR is complete, it will be the first under the newly formed SRS Fire Safety Capital Committee and will be forwarded to IA. IA received documentation of the fire safety committee information and a schedule of obstruction testing.		Arthur Bishop,Mgr,Administrative Opns; Carla Domenici, Dir,Safety & Risk Services
2015-05	Safety and Risk Services	Recommendation 5 - Fire Extinguisher Reconciliaiton	The Director of Safety and Risk Services should ensure that invoices provided by the fire extinguisher contractor are reconciled to the master fire extinguisher inventory list. Any discrepancies should be addressed and resolved.	For the past several months, SRS has been in the process of purchasing a fire extinguisher software. It has involved UNM IT in this process to insure success. This purchase will likely occur in the next few months. The software will provide for an accurate and current reconciliation. It may also allow SRS to conduct monthly inspections in-house and only use vendor services for annual inspections. SRS will install the software, complete a pilot area of buildings and begin to stagger annual inspections. IA will be invited to a demonstration of processes during the pilot phase.	6/30/2016	IA received status update information on 8/24/16. Per documentation areas 2-4 are complete/uploaded in "fire bug" software system and will be fully implemented by 12/2016.		Arthur Bishop,Mgr,Administrative Opns; Carla Domenici, Dir,Safety & Risk Services
2015-05	Safety and Risk Services	Recommendation 6 - Safety Concerns Reported to SRS	The Director of Safety and Risk Services should develop and document a process for investigating safety concerns reported to SRS. The process should include detailed use of TMA or similar software to ensure that a clear audit trail from the date of report to final disposition is noted. The process should specifically include the requirement to notify the person who expressed concern about the final outcome.	SRS will work with PPD ISS to train and re-train its employees on TMA. Ideally, TMA can serve as the software for tracking the work and response of SRS staff. SRS will continue to use TMA through June 30, 2016. If the results are not improved, then it will consider the purchase of a software more specifically designed to occupational safety needs.	6/30/2016	IA received status updated information on 8/24/16 that includes documented procedure for "Documenting Safety Concerns Reported to Safety and Risk Services Department (SRS)" IA will work with SRS to review incidents reported since execution of the documented procedures to ensure that they have been fully implemented.		Michael Tuttle,Mgr,Risk Mgmt, Ins & Claims; Carla Domenici, Dir,Safety & Risk Services

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2015-05	Safety and Risk Services	Recommendation 7 - Reporting Test Results	SRS Director should ensure that the results of any monitoring tests for hazardous material levels performed are communicated according to OSHA 1910.1018(e)(5)(i). Documentation of report distribution should be kept with the report to facilitate a clear audit trail.	The SRS Environmental Health Manager will develop standard operating procedures to insure the results of air quality monitoring are communicated according to OSHA 1910.1018(e)(5)(i). Documentation of report distribution should be kept with the report to facilitate a clear audit trail.	6/30/2016	SRS has completed procedures for ensuring that the results of any monitoring for occupational hazards performed by SRS are properly communicated. The procedures have a step that notes final investigative outcome will be communicated to the person making the report. IA will review a judgmental sample of the most recent investigations and documentation to confirm distribution of the report per procedures. Once confirmed, the recommendation can be cleared.		Chemanji Shu-Nyamboli,Environ Hlth Manager; Carla Domenici, Dir,Safety & Risk Services
2015-05	Safety and Risk Services	Recommendation 8 - Construction Safety	The Director of Safety and Risk Services should require that SRS participate in all construction projects as directed by the Construction Safety Manual. As a documentary audit trail, SRS should collect and keep documentation that they attended the pre-bid meetings, approved the CSSP, and sent the Notice-To-Proceed after approving the CSSP.	SRS will insure that its staff attend all construction and remodel meetings. Further it will insure that the documentation requirements set forth in the Construction Safety Manual are adhered to by SRS staff.	6/30/2016	IA received progress information from SRS. IA needs to review the information to confirm completion/status of progress on the recommendation.		Chemanji Shu-Nyamboli,Environ Hlth Manager; Carla Domenici, Dir,Safety & Risk Services
2015-05	Safety and Risk Services	Recommendation 9 - Peer Review	SRS should participate in regular peer reviews, including one in the next 12 months, in order to gain insight and efficiency through interaction with similar and/or peer institutions.	SRS will complete the peer review in the time-frame set forth.	12/30/2016	The SRS Director informed IA that they have identified a vendor to complete the peer review and are on schedule to have it completed by the due date.		Carla Domenici, Dir,Safety & Risk Services
2015-05	Safety and Risk Services	Recommendation 13 - Annual Crystalline Silica Tests	The Director of Safety and Risk Services should work with chemical safety committees to identify areas of risk related to exposure and inhalation and determine what are the most appropriate annual monitoring tests to be conducted.	SRS will work with the HSC Chemical Safety Committee and Main Campus Chemical and Lab Safety Committee to review the risk and need for air quality and exposure testing.	6/30/2016	IA received correspondence from SRS on 8/24/16 informing IA that silica testing was completed. IA will need to work with SRS to verify.		Chemanji Shu-Nyamboli,Environ Hlth Manager; Carla Domenici, Dir,Safety & Risk Services
2015-05	Safety and Risk Services	Recommendation 16 - SRS Training - ERM Training	The Director of Safety and Risk Services should provide EOD with an annual list of (1) CSOs to ensure that CSO and ERM training becomes part of their required annual Learning Central training courses, and (2) PIs and PCard holders who make chemical purchases to ensure that ERM becomes part of their required annual Learning Central training courses.	The Environmental Health Manager will insure this information reaches Learning Central.	3/31/2016	IA received an informational update from SRS on 8/24/16 informing IA that they sent the CSO and ERM training to the Learning Central. The training was added to the curriculum of over 300 P-Card holders that includes PIs. IA will need to work with SRS to verify.		Chemanji Shu-Nyamboli,Environ Hlth Manager; Carla Domenici, Dir,Safety & Risk Services

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2015-05	Safety and Risk Services	Recommendation 17- SRS Training - CSO Training	The University President should send a directive to CSOs, PIs, and PCard holders identified as persons who make chemical purchases to comply with their annual requirements to complete CSO and/or ERM training. They should be reminded of the importance to ensure lab safety and accurate chemical labeling and inventory.	In response to Internal Audit report 2015-01-1, the University President directed a group to address university-wide mandatory training for employees. As a component of that effort, the President will direct this group to also develop a mechanism to ensure position-specific mandatory training for CSOs, PIs, and Pcard holders that make chemical purchases.	12/31/2016	OEO is working with SRS to develop the training and SRS is working to determine what titles need to have the training. A request was granted, and the due date was extended to 12/31/16.		Dorothy Terese Anderson,Vice President,Human Resources; Chaouki Tanios Abdallah
2015-05	Safety and Risk Services	Recommendaiton 18 - Chemical Purchases and Perpetual Inventory	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.	EVP for Finance and Administration: The departments that purchase chemicals that report to me include PPD and Student Housing. I will work with the Vice-President of Institutional Support Services to insure that those areas coordinate with SRS to insure that chemical purchases are recorded in ERM. I will also work with the Purchasing Department 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. This may mean increased staffing and certainly the development of a storage area. EVP for Academic Affairs/Provost: With the Risk Management Division, Academic Affairs will issue a memo to all units that purchase chemicals within our organization by October 31, 2015. The memo will detail compliance requirements and a proposed schedule for appropriate training and implementation of the ERM system – it will prioritize the high impact units. This will require close coordination between SRS, the Chemical Safety Committee, Deans and Academic Affairs representatives.	12/31/2016	IA received an informational update from SRS informing they have an ERM training schedule for main campus. Sent return email inquiring about ERM training schedule for HSC and a separate email to Provost inquiring about documentation to support that the interim due date of 10/2015 was met, and that the Provost sent a memo to the areas that report to him informing of ERM requirements to anyone that purchases chemicals. IA received support for copies of correspondence and information provided by SRS.		David Harris,Executive Vice President; Paul Roth Chaouki Tanios Abdallah
2016-05	CTSC Food and Nutrition P-Card Use	Recommendation 3 - P-Card Office Review and P-Card Reviewer and Approver Training	The P-Card Manager should: Strengthen the P-Card reconciliation review process to ensure documentation submitted for purchases is complete and accurate. Provide a P-Card training for Department P-Card reviewers and approvers to ensure P-Card activity is adequately reviewed.	We agree with the audit recommendations. UNM departments are ultimately responsible for submitting properly approved, complete and accurate documentation with their P-Card logs. For this reason, each P-Card log requires the signatures of both the cardholder and Dean/Director/Department Head. Although the P-Card department conducts 100% reviews of PCard transactions, our current resources prohibit us from recalculating the totals of each of the 170,000+ PCard transactions each year. While this could likely be accomplished if significant additional resources were to be provided, the additional cost vs. benefit received would most likely be prohibitive. In response to this recommendation, we have effective immediately, begun to examine and recalculate a portion of receipts that contain elements of higher risk and have an appearance that they have been altered.	10/31/2016	The P-Card Manager indicated that the P-Card office is developing the P-Card training for supervisors and reviewers while implementing the new Chrome River system. The updated procedures for using Chrome River are being incorporated into existing P-Card policies and procedures. The P-Card Manager believes the Chrome River P-Card system will go live by the target date of 10/1/16. Since the updated training is being developed simultaneously with the Chrome River system, the P-Card Manager believes it will be implemented by the same target date. We will verify the implementation after go live on 10/31/2016.		Peggy Sedillo,Mgr,Purchasing

Project Code	Project Name	Recommendation Title	Executive Recommendation	Response	Estimated Implementation Date	Last Status Update	Actual Implementation Date	Responsible Party
2016-07	Men's Basketball P-Card Use	Recommendation 2 - P-Card Reconciliations	The Athletics Chief Financial Officer should ensure missing P-Card Reconciliations are completed and submitted to the P-Card Office.	Complete the statements that remain unreconciled, which includes the statements, logs and supporting documentation.	9/30/2016	Former Athletics CFO, resigned from UNM on July 8, 2016, prior to reconciliation of P-Card statements for the months of August - January 2016. Yvonne Otts, Financial Analyst, has been assigned the task of completing the P-Card reconciliations for these months. Athletics has requested and received a target completion date of 9/30/16.		Yvonne Otts,Financial Analyst
2016-07	Men's Basketball P-Card Use	Recommendation 3 - Payment for Scouting Services	The Athletics Chief Financial Officer should determine which scouting service providers have not been paid for services, verify services have been performed, and make payment arrangements.	The list of vendors which has not been paid will be remediated. For next fiscal year, the Athletics Business Office will work closely with teams on the purchases of recruitment services and maintain a written list of scouting services.	9/30/2016	Former Athletics CFO, resigned from UNM on July 8, 2016, prior to verification of services provided and payment to vendors for scouting subscription services. Yvonne Otts, Financial Analyst, has been assigned the task of verifying services provided and ensuring payments are made. She will also obtain a listing of scouting services used by Men's Basketball for Internal Audit to review. Athletics has requested and received a target completion date of 9/30/16.		Yvonne Otts,Financial Analyst
2016-07	Men's Basketball P-Card Use	Recommendation 6 - Receipts, Invoices, and Other Supporting Documentation	The Athletics Chief Financial Officer should develop P-Card policies and procedures requiring documentation that lists participants that were provided meals during Men's Basketball events. The Athletics Chief Financial Officer should ensure that adequate supporting documentation is obtained for all P-Card purchases. Itemized receipts should be submitted for all purchases.	The Department has begun to include a listing of the team rosters and coaches with P-Card statements. The Department will also ensure that the use of memos to justify lost receipts and invoices is substantially curtailed.	12/31/2016	Athletics management indicated they will enforce the requirement of submitting a listing of participants for team meals. In addition, only itemized receipts will be considered adequate supporting documentation for purchases. Management stated that they will ensure these requirements are met during their detailed review. However, since team travel for Men's basketball does not begin until November 2016 when basketball season starts, Internal Audit cannot verify implementation until team travel purchases occur. Therefore, an extension has been granted to December 31, 2016 to verify implementation.		Yvonne Otts,Financial Analyst
2016-07	Men's Basketball P-Card Use	Recommendation 6 - Receipts, Invoices, and Other Supporting Documentation	The P-Card Manager should develop P-Card policies and procedures requiring documentation that lists participants that were provided meals during Men's Basketball events. The P-Card Manager should also ensure that adequate supporting documentation is obtained for all P-Card purchases. Itemized receipts should be submitted for all purchases.	We agree with the recommendation and have already completed and implemented our corrective action. After deliberation with the Athletics department, both parties agreed that, effective immediately, complete meal logs for all players, coaches and allowable guests would be provided as transactional documentation for all meals purchased on P-Card. Additionally, P-Card infractions will now be reported immediately if a cardholder fails to provide adequate detail to support a meal transaction.	12/31/2016	The P-Card Manager indicated that requirements of submitting a listing of participants for team meals will be enforced. In addition, only itemized receipts will be considered adequate supporting documentation for purchases. Lack of this documentation will be considered an infraction during P-Card reconciliation reviews, and the reconciliation will be sent back to the card holder to provide meal participants and/or itemized receipts before the reconciliation is approved. However, since team travel for Men's basketball does not begin until November 2016 when basketball season starts, Internal Audit cannot verify implementation until team travel purchases occur. Therefore, an extension has been granted to December 31, 2016 to verify implementation.		Peggy Sedillo,Mgr,Purchasing

Project Code	Project Name	Recommendation Title	Executive Recommendation	Response	Estimated Implementation Date	Last Status Update	Actual Implementation Date	Responsible Party
2016-07	Men's Basketball P-Card Use	Recommendation 8 - P-Card Reviews	The Athletics Chief Financial Officer should ensure that P-Card Reconciliations and reviews are performed by person(s) familiar with detailed understanding of monthly Men's Basketball activities and events.	Athletics Business Office staff will be the reconcilers and sign the statements going forward, not Department Heads or Coaches. The Department will continue to audit each transaction within a user's P-Card statement for validity and acceptable usage. Athletics Business Office staff will communicate more with Sports Coordinators and Coach staff on particular items within each statement. New policies on reconciliations also give users 25 days from the statement closing to reconcile statements to the Athletics Business Office. This ensures proper auditing and follow up, if needed, on user's statements. Following the reconciliation process, Coaches and Department Heads will be briefed on the purchases that occurred during the statement period, as well as inform of the timeliness and accuracy by P-Card users in the department.	9/30/2016	Athletics management indicated that the former Chief Financial Officer was performing detailed reviews of P-Card reconciliations at the department level. However, he terminated his employment with UNM on July 8, 2016. Management stated that the Athletics Financial Analyst has now been assigned the job duties of performing the detailed reviews. Internal Audit determined that an extension is needed to verify detailed reviews are performed by the Financial Analyst, and reconciliations are submitted in a timely manner. An extension has been granted for 9/30/16.		Yvonne Otts,Financial Analyst
2016-07	Men's Basketball P-Card Use	Recommendation 8 - P-Card Reviews	The Men's Basketball Head Coach should ensure that P-Card Reconciliations and reviews are performed by person(s) familiar with detailed understanding of monthly Men's Basketball activities and events. He should, at a minimum, complete a "high level" review of monthly P-Card activity before signing off on the P-Card Reconciliation.	The Head Coach will receive monthly briefings from the Athletics Business Office on the expenditures made by staff. The Coach will be kept apprised of the timeliness and accuracy of the submissions by P-Card users within the program.	9/30/2016	Athletics management indicated that the former Chief Financial Officer was meeting with the Men's Basketball Head Coach to provide briefings of expenditures made by for the program. However, he terminated his employment with UNM on July 8, 2016. Management stated that the Athletics Financial Analyst has now been assigned the job duties of meeting with the Head Coach. Internal Audit determined that an extension is needed to verify monthly meetings between the Financial Analyst and Head Coach. An extension has been granted for 9/30/16.		Craig Neal,Athletic Coach 4
2016-07	Men's Basketball P-Card Use	Recommendation 11 - P-Card Trainings for Supevisors and Reviewers	Provide P-Card training for Department P-Card reviewers and approvers to ensure P-Card activity is adequately reviewed to detect P-Card misuse.	We agree with the audit recommendation. In the past, P-Card training has been required for P-Card holders only. As per Internal Audit's recommendation, we now also agree to begin requiring separate training for our departmental reviewers and approvers. This new form of training will focus on preparing P-Card reviewers and approvers to detect P-Card misuse and also to adequately review P-Card transactions. We will roll this new training out concurrent with the Chrome River system go-live for P-Card, currently scheduled for 7/1/16.	10/31/2016	The P-Card Manager indicated that the P-Card office is developing the P-Card training for supervisors and reviewers while implementing the new Chrome River system. The updated procedures for using Chrome River are being incorporated into existing P-Card policies and procedures. The P-Card Manager believes the Chrome River P-Card system will go live by the target date of 10/1/16. Since the updated training is being developed simultaneously with the Chrome River system, the P-Card Manager believes it will be implemented by the same target date. A extension has been requested for 10/31/2016 to verify implementation.		Peggy Sedillo,Mgr,Purchasing

Follow Up Report - Clery Act Recommendations (September 2016 Open Session)

Project Code	Project Name	Recommendation Title	Executive Recommendation	Response	Estimated Implementation Date	Last Status Update/Recommendation Action	Actual Implementation Date	Responsible Party
2014-04	Clery Act	Recommendation 1 - Organizational Structure and Administrative Function	A. The University President should consider establishing the position of Clery Coordinator whose sole responsibility is Clery Act compliance and oversight. The Clery Coordinator should be empowered to enforce Clery Act compliance. B. The University President should establish a Clery Act Compliance Committee with appropriate representation from the campus community. Using the best practices provided earlier, the committee should be tasked with developing an organizational structure for compliance with, coordination, and communication of Clery Act requirements. C. The Clery Coordinator working with the Clery Act Compliance Committee should develop a formal UAPPM Clery Act Compliance policy. D. The University President should notify the entire campus community that Clery Act compliance is mandatory, and all are responsible for knowing their roles and responsibilities for reporting and keeping the campus safe.	A. An Interim Clery Coordinator at UNMPD has been assigned, effective August 1, 2014 for FY15. The Director of Office of Equal Opportunity (OEO) will develop a budget request for FY16 that includes Clery reporting to OEO by June 30, 2015. The Interim Coordinator will work with the UNM compliance office and the UNM policy office to develop policies and procedures (by June 30, 2015) in consultation with the Clery Compliance Steering Committee. B. A Clery Act Steering Committee was appointed August 1, 2014. C. The Steering Committee will work with the UNM policy office to develop a policy by June 30, 2015. A meeting was held with all individuals on the Audit "Clery Organization Chart" on May 7th in the President's conference room. Each of those supervisors agreed to communicate to their direct reports. In addition, after (C.) is completed, the policy will be included in the President's communication by June 30, 2015. The University President will issue a memo to notify the entire campus community that Clery Act compliance is mandatory- to be completed by September 15, 2014.	5/30/2016	A. Cleared - Hired the Clery Coordinator in August 2015. B. Cleared - the Clery Steering Committee is meeting, verified by review of meeting minutes. C. Cleared - Policy 2745: Clery Act Compliance finalized. D. Cleared - The University President sent a campus-wide memo informing the campus community of Clery duties and responsibilities.	6/3/2016	Amy Wohlert,Chief Of Staff/Office Of Pres
2014-04	Clery Act	Recommendation 2 - Geography - Clery Act Locations	A. The University President must require the Clery Coordinator to assign the responsibility for determining the University's Clery geography. B . The University President should require that the Clery Coordinator ensure development of written policies and procedures that include adequate internal controls to accurately define, document, and update the Clery geography annually.	A. Delegated to the Provost's Office from the President's Office via email communication on August 12, 2014. B. Delegated to the Provost's Office. The Interim Clery Coordinator will work with the Provost's office and the UNM policy office to develop written policies by June 30, 2015.	9/30/2016	A. Cleared - the Clery Geography was assigned to Terry Babbit, Associate VP: VPDEM General Administration. The Clery Coordinator has been working with UNM areas charged with space allocation to review all campus buildings for inclusion of Clery Geography. The Clery Coordinator has also informed that the CATs system (a system that departments will use to enter arranged courses that are not taught on campus) is in the test phase. That system will identify non-campus areas includible in Clery Geography. Although Clery Geography is not completely defined, much progress has been made. To speak to the task of how Clery Geography will be identified, on an annual basis the ground work being done now will lend a solid framework for the annual process. UPDATE - CATS system has been uploaded and is in the test phase. The Clery Coordinator is working with Registrars office to ensure that fall courses will be appropriately identified and uploaded to CATS for Clery Geography purposes. B.Cleared - Policy 2745: Clery Act Compliance was issued in May 2016.	7/13/2016	Melissa Vargas,Strategic Planner
2014-04	Clery Act	Recommendation 4 - Campus Security Authorities	The University President or Clery Coordinator should designate CSAs, the Clery Coordinator should incorporate CSA policy into Clery Act Policy, the policy should be included in the Student Activities Handbook, and the CSA should sign signifying awareness of policy.	The Interim Clery Coordinator will gather a confirmed response from each CSA for reporting and will obtain a signed form from each CSA stating they are aware of their responsibilities. The OEO website will include this list of CSAs by June 30, 2015. The policy developed will be included and coordinated in the Student Organization Handbook - to be completed by June 30, 2015.	5/30/2016	Portion 'A' is cleared; Interim Clery Coordinator worked to notify all CSAs of their responsibility to register as a CSA and complete the training. The training will only be available via the UNM Police web page. Portion 'B' is cleared; CSA list is posted to OEO web page. Portion 'C' is cleared; Policy 2745 was completed.	6/6/2016	Amy Wohlert,Chief Of Staff/Office Of Pres

Follow Up Report - Clery Act Recommendations (September 2016 Open Session)

Project Code	Project Name	Recommendation Title	Executive Recommendation	Response	Estimated Implementation Date	Last Status Update/Recommendation Action	Actual Implementation Date	Responsible Party
2014-04	Clery Act	Recommendation 14 - Missing Student	A. The EVP for Academic Affairs/Provost should publish the missing student policy, B. require UNM Residence Life & Student Housing to implement adequate internal controls and access to missing student contact, and C. require Casas del Rio and Lobo Village to receive training on missing student requirements.	A. The Provost will send a memo to VP for Student Affairs and Dean of Students to write a policy (if it does not already exist) and to publish it in a prominent place. B. The Provost will send a memo to the VP for Student Affairs and AVP for Student Life to meet these directives. C. The Provost will send a memo to VP for Student Affairs and AVP for Student Life to meet these directives.	3/31/2016	A. Cleared. B. Cleared - Met with Residence Life Manager and verified via inspection that missing student information is requested via an online system and stored electronically. It is kept separately from emergency contact information and access is limited. C. Cleared. IA met with both Lobo Village and Casas del Rio and reviewed their missing student contact forms. They are adequately stored under lock/key with limited access (no access by students). Traced some from current tenants to the corresponding form. Although we could not thoroughly document that management is trained on the requirement to collect and store the missing person contact separate from the emergency contact, it is obvious that it is being adequately done at both locations.	4/29/2016	Melissa Vargas,Strategic Planner
2014-04	Clery Act	Recommendation 16 - Fire Drills	The EVP for Finance and Administration should instruct the Director of SRS to work with UNM Residence Life and Student Housing, Casas del Rio, and Lobo Village to ensure students are educated on safe and proper evacuation procedures. The Director of SRS should monitor all housing facilities to ensure facility managers are conducting required fire drills.	SRS will ensure that students are thoroughly educated on safe and proper evacuation procedures. SRS will continue to organize fire drills in cooperation with facility managers. SRS will work with the property managers for Casas del Rio and Lobo Village to collect their statistics and documentation for submission. SRS met with the Regional Vice President for American Campus Communities in March 2014 and was informed that the company would conduct fire drills and maintain documentation. It was agreed that SRS would collect the data for Clery Act reporting purposes. SRS does not have jurisdiction over the fraternity and sorority houses as they are private property.	6/30/2016	Received correspondence informing that Casas del Rio did provide Fire Safety training to RAs at the beginning of the summer 2016 session; however they did not train students. A copy of the RA training sign in sheet was provided. Received email correspondence that training was conducted at Lobo Village but have not received supporting documentation; i.e. the sign in sheets. Followed up with Safety to obtain sign in sheets.		Carla Domenici, Int Dir, Safety & Risk Services
2014-04	Clery Act	Recommendation 20B Branch Campus Reporting	The University President should instruct the Special Assistant to the University President for Branch Affairs work with the Clery Coordinator to develop written policies and procedures for branch campus Clery Act reporting and oversight. In addition, branch campuses should be required to correct requisite statistics that are in error and branch campus personnel should be required to attend training.	The President has scheduled a meeting on August 25, 2014 with Branch campus directors. To be completed by June 30, 2015.	6/30/2016	Clery Coordinator provided training to all branch campuses and developed procedures for branch campuses.	6/6/2016	Amy Wohlert,Chief Of Staff/Office Of Pres
2014-04	Clery Act	Recommendation 26 - IT Application Controls	The EVP for Academic Affairs/Provost should require UNM Housing to develop its own written IT policies and procedures.	The Provost will send a memo to the VP for Student Affairs and AVP for Student Life to meet these directives.	6/30/2016	Clery Coordinator forwarded a copy of Housing IT procedures. They are currently under review by IA IT Auditor for adequacy. IA IT Auditor contacted person charged with developing IT procedures to address questions.		Melissa Vargas,Strategic Planner

Internal Audit Director's Status Report
Audit and Compliance Committee Meeting
September 2, 2016

ACTION ITEMS

Proposed Meetings for Remainder of Calendar Year 2016.

> October 20, 2016 (Exit Conference for FY16 External Audit)

Proposed Revisions to Regents' Policy 7.17 on Affiliated Organizations.

Proposed revisions to Regents' Policy 7.17, University- affiliated 501(c)(3) corporations is included at Tab # 4.

The Internal Audit Department prepared a Review of University of New Mexico Tax Reporting Responsibilities for the most current FY2015. Based on the information Internal Audit received, nine of the component units file Form 990 and are current in their filing requirements; UNM Sandoval Regional Medical Group and UNM Medical Group received an IRS final determination ruling that excluded them from filing Form 990. UNM Harwood Alliance is required to file Form 990-N, which excludes them from filing Form 990. All Affiliated University Organizations comply with the reporting requirements.

The University income generated in the exercise of its essential government functions is excluded from income tax under Internal Revenue Code (IRC) section 115. However, IRC section 511(a)(2)(B) imposes income tax on the unrelated income activities of state colleges and universities. Accordingly, the University of New Mexico files Form 990-T to report the income and pay the tax associated with its unrelated business activities. This may include bookstore sales, Student Union food sales, telecommunication services, catering and facility rental services. The University and two affiliated units (Alumni Association and UNM Foundation) are required to file Form 990-T to report unrelated business income and have complied with this requirement.

INFORMATION ITEMS

Audit Plan Status. The Fiscal Year 2016 (FY16) draft audit plan includes seven audits carried over from FY15. The project status and hours report for the plan is at Tab # 11c. The status of the plan as of July 31, 2016 is:

Completed	10
Fieldwork & Planning	5
Committee	1
Subtotal	**16**
Assigned/Deferred	3
Total	**19**

The Fiscal Year 2017 (FY17) draft audit plan includes nine audits carried over from FY16. The draft FY17 audit plan will be finalized based on high-level updated risk assessment and input from the Audit and Compliance Committee and the Executive leadership.

Internal Audit Director's Status Report
Audit and Compliance Committee Meeting
September 2, 2016

Department Financial Report. At Tab 10 is the Internal Audit Department's budget status report for your review. The FY17 budget is $852,250, of which $802,250 is from the general pooled account, and $50,000 from the departmental reserve. As of July 31, 2017, the department's actual expenditures are $56,907 and encumbrances are $645,678.

External Audits and Reviews. At Tab 10 is the information (as of July 2016) regarding the external audits and reviews (third party audits) of various grants, contracts and programs by various federal and state grantors. There are three (3) reviews underway by the National Science Foundation (amount undetermined), the Defense Threat Reduction agency ($1.8 million) and the Substance Abuse and Mental Health Services Administration (SAMHSA), in the amount of $151 thousand. The federal agency is auditing the New Mexico Human Services Department and is following up on UNM as a sub-grantee. In past three fiscal years, the University has been audited approximately 20 times by different third parties (federal and state agencies) without any major non-compliance findings and questioned costs.

The Center for Medicaid and Medicare Services (CMS) has contracted with Connolly on a contingent fee basis to conduct billing reviews. The University of New Mexico Hospital and Sandoval Regional Medical Center have received various requests from the Recovery Audit Contractor (RAC) to provide over 610 records related to patient billings, totaling $15.8 million from June 1, 2015 to December 31, 2015. The RAC auditors had no findings for $13.5 million (485 records); the University Health System has paid back approximately $617 thousand (115 records) as of July 31, 2016. A decision is pending on whether to appeal 10 denied records that were considered as over payments.

Audit Vacancies. The Internal Audit Department had one vacant auditor position earlier this year. This position has been deleted from the UNM position control.

Student Internship.   The Internal Audit department currently has four student interns.

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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										
1640 - Allocations Pooled Allocatio!	$802,250.00	$.00	$802,250.00	$802,250.00	100.00%	$802,250.00	100.00%	$.00	$.00	.00%
1900 - Reserves	$.00	$.00	$.00	$74,012.35	.00%	$74,012.35	.00%	$.00	($74,012.35)	.00%
1901 - Budgeted Use of Reserves	$50,000.00	$.00	$50,000.00	$.00	.00%	$.00	.00%	$.00	$50,000.00	100.00%
*TOTAL Revenue										
	$852,250.00	**$.00**	**$852,250.00**	**$876,262.35**	**102.82%**	**$876,262.35**	**102.82%**	**$.00**	**($24,012.35)**	**(2.82%)**
Expense										
2020 - Administrative Professional !	$643,931.00	$.00	$643,931.00	$47,887.16	7.44%	$47,887.16	7.44%	$601,656.55	($5,612.71)	(.87%)
2060 - Support Staff Salary Detail !	$38,932.00	$.00	$38,932.00	$2,874.88	7.38%	$2,874.88	7.38%	$44,021.60	($7,964.48)	(20.46%)
20J0 - Student Salaries Gen	$32,000.00	$.00	$32,000.00	$3,524.00	11.01%	$3,524.00	11.01%	$.00	$28,476.00	88.99%
20P0 - Temporary Salary Gen	$30,550.00	$.00	$30,550.00	$571.18	1.87%	$571.18	1.87%	$.00	$29,978.82	98.13%
20SA - Salary Adjustments	$42,800.00	$.00	$42,800.00	$.00	.00%	$.00	.00%	$.00	$42,800.00	100.00%
3100 - Office Supplies General	$1,500.00	$.00	$1,500.00	$.00	.00%	$.00	.00%	$.00	$1,500.00	100.00%
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%	$.00	.00%	$.00	$200.00	100.00%
3150 - Computer Supplies <$5,001	$200.00	$.00	$200.00	$44.97	22.49%	$44.97	22.49%	$.00	$155.03	77.52%
3189 - Computers & Servers <$5,0!	$.00	$.00	$.00	($1,135.46)	.00%	($1,135.46)	.00%	$.00	$1,135.46	.00%
31A0 - Business Food - Local	$1,007.00	$.00	$1,007.00	$.00	.00%	$.00	.00%	$.00	$1,007.00	100.00%
31C0 - Dues Memberships Gen	$4,500.00	$.00	$4,500.00	$255.00	5.67%	$255.00	5.67%	$.00	$4,245.00	94.33%
31J0 - Parking Permits Gen	$500.00	$.00	$500.00	$.00	.00%	$.00	.00%	$.00	$500.00	100.00%
31K0 - Postage Gen	$80.00	$.00	$80.00	$.00	.00%	$.00	.00%	$.00	$80.00	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%	$.00	.00%	$.00	$2,500.00	100.00%
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%	$292.50	7.31%	$.00	$3,707.50	92.69%
6020 - Long Distance Gen	$100.00	$.00	$100.00	$1.54	1.54%	$1.54	1.54%	$.00	$98.46	98.46%
6060 - Voice Mail Box Gen	$700.00	$.00	$700.00	$45.00	6.43%	$45.00	6.43%	$.00	$655.00	93.57%
6300 - Alarm System Gen	$300.00	$.00	$300.00	$11.25	3.75%	$11.25	3.75%	$.00	$288.75	96.25%
6315 - Electronic Databases	$.00	$.00	$.00	$.00	.00%	$.00	.00%	$.00	$.00	.00%
63A0 - Conference Fees Gen	$4,000.00	$.00	$4,000.00	$.00	.00%	$.00	.00%	$.00	$4,000.00	100.00%
63A2 - Seminars/Training Fees	$4,000.00	$.00	$4,000.00	$.00	.00%	$.00	.00%	$.00	$4,000.00	100.00%

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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
63C0 - Copying Gen	$100.00	$.00	$100.00	$.00	.00%	$.00	.00%	$.00	$100.00	100.00%
69Z0 - Other Professional Services!	$20,000.00	$.00	$20,000.00	$2,011.94	10.06%	$2,011.94	10.06%	$.00	$17,988.06	89.94%
70E1 - Computer Software Mainten!	$8,500.00	$.00	$8,500.00	$.00	.00%	$.00	.00%	$.00	$8,500.00	100.00%
70F0 - Equipment Rent Expense G!	$3,000.00	$.00	$3,000.00	$222.94	7.43%	$222.94	7.43%	$.00	$2,777.06	92.57%
80K0 - Banner Tax	$700.00	$.00	$700.00	$17.50	2.50%	$17.50	2.50%	$.00	$682.50	97.50%
80K2 - Foundation Surcharge	$4,500.00	$.00	$4,500.00	$283.03	6.29%	$283.03	6.29%	$.00	$4,216.97	93.71%
*TOTAL Expense										
	$852,250.00	**$.00**	**$852,250.00**	**$56,907.43**	**6.68%**	**$56,907.43**	**6.68%**	**$645,678.15**	**$149,664.42**	**17.56%**
Total Revenue:	$852,250.00	$.00	$852,250.00	$876,262.35	102.82%	$876,262.35	102.82%	$.00	($24,012.35)	(2.82%)
Total Expense:	$852,250.00	$.00	$852,250.00	$56,907.43	6.68%	$56,907.43	6.68%	$645,678.15	$149,664.42	17.56%
Net:	$.00	$.00	$.00	$819,354.92	.00%	$819,354.92	.00%	($645,678.15)	$173,676.77	.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.

External Audits and Reviews
July 31, 2016

Granting Agency/Entity	Defense Threat Reduction Agency (DTRA)	National Science Foundation (NSF)	SAMSHA	CMS (Patient Billings) - RAC Requests as of December 31, 2015
Contract/Grant/Program title	2RC38 & 2R05W	Various	3RW76	Medicare
Contract/Grant Period	10/14/2008 - 11/30/2010 9/7/2007 - 9/6/2010	Various	7/1/15-6/30/16	Various
Contract/Grant Total Amount	1,820,022	TBD	151,843	N/A
Contract/Grant Amount - Current FY				N/A
Principal Investigator	Frank Gilfeather	Various	Caroline Bonham	N/A
Department	OVPRED	Various	Psych	Hospital RAC Audits
Agency Audit/Review Notification Date	6/30/2016	TBD	SAMSHA	Various
Audit/Review Entrance/Visit Date(s)	7/11/2016	TBD	8/4/2016	Remote
Audit/Exit/Final Report Issued	TBD	TBD	TBD	Continuous
Question Cost, if any	TBD	TBD	TBD	N/A
Audit/Review Major Finding, if any	TBD	TBD	TBD	See Comments
Corrective Action Plan, if any	TBD	TBD	TBD	In Process
Planned Implementation Date	TBD	TBD	TBD	N/A
Campus	Main	Main/HSC	HSC	Hospital RAC Audits
Auditor if Different than Grantor	Office of the Inspector General	WithumSmith+Brown (WSB)	SAMSHA	Connolly
Comments	Contract Closeout Report will be issued to the Office of Naval Research (ONR), not UNM directly. UNM will request from ONR.	NSF, OIG Audit	Auditing NM HSD, but visiting sub recipients as well. Report will be issued to HSD not UNM Directly.	$15.8 million total RAC audits (610 records requested), of which $13.5 million (485 records) had no audit findings. UNM Health System paid back a net of $617K (115 records that were coded at higher and lower levels) and $282K (10 records are pending review) as of July 31, 2016. A decision is pending on whether to appeal 10 records that were denied for overpayment.

EXECUTIVE SESSION