

BOARD of REGENTS



THE UNIVERSITY OF
NEW MEXICO.

AUDIT AND COMPLIANCE COMMITTEE MEETING

Tuesday, August 19, 2025



The University of New Mexico
Board of Regents' Audit and Compliance Committee
August 19, 2025
Student Union Building (SUB), Ballroom B
9:30 AM – 10:45 AM
Livestream: <https://live.unm.edu/board-of-regents>

Agenda

- I. Call to Order and Confirmation of a Quorum
- II. Adoption of Agenda
- III. Approval of Meeting Minutes from May 20, 2025
- IV. Roll Call Vote to close the meeting and to proceed in Executive Session as follows:
 - A. Discussion of draft Internal Audit reports and information subject to attorney-client privilege; audit work plans; and information security and privacy report, pursuant to RPM 1.2 and NMSA 1978, § 10-15-1(H)(7);
 - B. Discussion of limited personnel matters as defined in and permitted by NMSA 1978, § 10-15-1(H)(2);
 - C. Vote to open the meeting.
- V. Certification that only those matters described in agenda item #IV were discussed in Executive Session and if necessary, vote on final actions as required by NMSA 1978, § 10-15-1H(2).
- VI. Information Items
 - A. Advisors' Comments
 - B. Director of Internal Audit Status Report
Victor Griego, Internal Audit Director
 - C. Main Campus Chief Compliance Officer Status Report
Francie Cordova, Chief Compliance Officer
 - D. UNM Health and Health Sciences Compliance Officer Report
Brie Delvin, Compliance Manager, UNM Health and Health Sciences
 - E. Status of Audit Recommendations
Chien-Chih Yeh, Internal Audit Manager
- VII. Adjournment

CALL TO ORDER/ QUORUM

ADOPTION OF AGENDA

THE UNIVERSITY OF NEW MEXICO
Board of Regents' Audit and Compliance Committee Quarterly Meeting
May 20, 2025 – Draft Meeting Minutes

Regent Committee Members Present: Jack Fortner, Christina Campos, Paul Blanchard (Quorum)

Other Regents Present: William Payne, Victor Reyes, Paula Tackett, Patricia Williams

Other Attendees: Garnett Stokes, Terry Babbitt, Teresa Costantinidis, James Holloway, Francie Cordova, Daniel Jones, Ariadna Vazquez, Scot Sauder, Susan Rhymer, Beck Rivera, Ajay Gupta, Randy Romes and Dave Strzyzewski (CLA virtual), John Bunnell and John Evron Mendoza (KPMG), Josh Lewis (Moss Adams), Paul Garcia (CRI), Emily Morelli, Victor Griego, Chien-chih Yeh, Antonio Baca, Connor Anderson, Jeremiah Sanchez, Amy O'Donnell. Note: This was a meeting with multiple committees at the same location going and out. It is not possible to know who else from the UNM community attended this particular meeting.

Chair Fortner called the meeting to order at 9:32. He confirmed there was a quorum.

By unanimous consent, the meeting went into Executive Session at 9:33 AM per the agenda.

By unanimous consent, the meeting returned to Open Session at 10:06 AM.

ACTION ITEMS:

- Certification that only those matters described in the agenda item #1 were discussed in Executive Session.
- The Committee approved the agenda.
- The Committee approved the minutes from the meeting of February 5, 2025.
- The Committee unanimously approved the following audit reports:
 - UNMHS Offshore Vendor Readiness Assessment
 - UNMMG Payroll
 - 2024-02 Audit of the Dissolution of the ASMF
- The Committee unanimously approved the third year of the KPMG, Moss Adams, and CRI External Financial Audit Contract.

INFORMATION ITEMS:

- Susan Rhymer, Deputy Controller, addressed the Committee regarding approval of the third year of the KPMG, Moss Adams, and CRI External Financial Statements Audit Contract. She requested the Committee's approval of this contract for the fiscal year 2025 external audit of the University's annual financial statements. The contract was for two fiscal years, 2023 and 2024, with an option for year three, which the University did exercise for fiscal year 2025. UNM received approval confirmations from both the State Auditor's Office and the Higher Education Department. The cost of the audit for the third year is \$1,235,000 plus New Mexico Gross Receipts Tax. This represents an approximate five percent (5%) increase from the prior fiscal year.

The Controller's Office will place the FY26 financial statement audit work out for bid, as FY 2025 is the final year of the contract.

- Staff from KPMG, Moss Adams, and CRI presented the FY2025 External Financial Statement Audit Entrance Conference information. John Bunnell from KPMG is the lead engagement managing director for this audit. He oversees the audit for UNM, excluding clinical operations, the single audit, and the UNM Foundation audit. Also present is John Evron Mendoza, lead audit manager from KPMG, Josh Lewis from Moss Adams, and Paul Garcia from CRI. Mr. Lewis oversees the clinical entities (4 financial statements): UNM Hospitals, Sandoval

Regional Medical Center (which has a standalone report), Behavioral Health, and UNM Medical Group. Mr. Garcia oversees the component units: UNM Alumni Association, Lobo Club, Lobo Development, Lobo Energy, Rainforest Innovations, KNME, KUNM, and the UNM NCAA agreed-upon procedures.

Mr. Bunnell stated the teams work together to try to make the audit as seamless as possible. Auditing standards require them to have specific communication with those charged with governance of the audit. They are always working with management to try to move up work and avoid that last-minute crunch in August, September, and October. The key is, overall, the firms are working together to provide the audit of the basic financial statements in accordance with generally accepted auditing standards as well as governmental auditing standards.

While they do look into internal controls, they do not issue an opinion on internal controls. They also issue the audit of the schedule of expenditures with federal awards, the SEFA of the single audit. There is an extreme amount of continuity across all three audit firms which helps UNM and the various components throughout the audit process in not having to retrain anybody or help get them up to speed. Each of the firms has appointed a client service partner, so if there are ever any concerns or questions, these three partners with the respective firms are also there as a resource.

Mr. Bunnell explained the respective audit strategy and plan at a very high level for each of the three areas that they are looking at. The first is for UNM, excluding the medical components as well as component units, but including the UNM Foundation.

There is a long list of items that they do look at in the audit, be it because of a result of the balances being large, subjectivity associated with the reported balance, or complexity. With the Foundation, they include the investments, as there is a substantial amount of work that goes into that. With UNM, they are looking at the long-term debt, future liability, and state appropriations. Since they oversee the overall consolidation of the basic financial statements, accounting transactions with the various units between one another is important because of consolidation of the component unit financials that has to take place at UNM. As UNM is a state organization, they are required to perform specific procedures and work with the State Audit Rule. Lastly, the single audit is over the federal expenditures.

Mr. Lewis explained that with clinical entities, there are some very industry specific areas. They spend a lot of time on the patient revenue cycle. Third party billing is complex, so they spend a lot of time both on the gross charges' component of that cycle as well as the payment adjustment cycle. One component that is related to that is highly complex and large. It is the valuation allowance on patient account receivable. They spend a significant amount of time there, including a look back to the prior year to see how accurate the prior years' estimate was. There are a couple of areas where they leverage other experts within their team. One area is IT. As they are going through controls and processes, they leverage the IT team to help look at that. In the third-party settlements they have cost report reimbursement specialists help test those estimates as well.

Similarly to the University side, there are a lot of intercompany transactions. Some are between the healthcare entities, so they verify what shows up appropriately on each of the entities' financials. If there are transactions with the Health Sciences or parts of the University, they check if they have seen same thing on both sides. And then the financial reporting as well. They spend a lot of time with that, going through the financial statement that management pulls together. And then the mortgage loan and bonds payables. There is a lot of activity with that, with the new tower, so they are doing a lot of work around the compliance with those being appropriately presented and discussed.

Mr. Garcia stated for the component units, they walk through all processes for each component unit. They focus on the revenue recognition; each component unit has their own revenue streams, so a big part of the test work is revenue and expense work. They also focus on big projects, capital assets that each entity might have. There are a lot of transactions with UNM. They work with UNM to make sure the transactions match what they show. They review financial reporting and presentation of finance tables. For NCAA, they review agreed upon

procedures to make sure they are aligned with what they should be doing and meeting their standards. And then for KNME and KUNM, they have attestation reports. Those come later in the year, so they start with the first five component units, and then in November they do KNME and KUNM and usually issue those in December.

Auditing standards require certain communication to those charged with governance, one of those being materiality. It is important to point out that when they do an audit of financial statements, it is done using reasonable assurance, not absolute assurance. They are not looking at 100% of transactions. It is judgmental. There is auditor judgment that considers both qualitative and quantitative. The materiality assessment will help drive the audit strategy as far as risk assessment, as well as what balances are going to be substantially tested. There is materiality that goes into determination of the financial statement audit and how they perform and plan.

There is an overall timeline of each of the component units and timing of the audit work, a similar timeline as the last several years. The key is the delivery of the draft financials to UNM, because at that point, UNM Controller's Office has to take all the individual components and aggregate that into the consolidated basic financial statements. All are due this time on September 15th, with a report issued by October 30th, in line with the State Auditor requirements. There are a couple that are outside that on the December time frame as Mr. Garcia noted.

They are required to report any significant risks that are identified during the audit to those in charge of governance. One is management override of controls. It is a significant fraud risk, so red flags go up. This exists in every entity. It is not something specific to UNM; it is at all organizations.

There are some changes to report. There is a plan change in the accounting policy related to the measurement of the OPEB liability. The GASB guidance allows for that measurement date to be anywhere from end of the fiscal year up to 30 months prior to. UNM has historically used a measurement date of the beginning of the fiscal year. As part of a change in the actuary that UNM is using, UNM actually just determined that that it is going to change that to the end of the year to coincide with some other valuations that are done by the actuary. The audit teams are already in discussion with the Controller's Office to make sure that is appropriate but expect that will be taken care of this year.

They do involve others throughout the various audit engagements, and standards require it to be communicated to this Committee. They involve internal actuaries to help with the pension and OPEB liability calculations, and also IT professionals, as Mr. Lewis mentioned. With investments, they use a pricing desk to help value the securities, also the cost report specialists that are involved in clinical operations, and the Global Delivery Center (GDC), under their direct supervision, to help provide administrative assistance.

They communicate new accounting guidance that is going to be effective in upcoming years. Overall, it is fairly quiet in the new guidance this year; there are two standards that UNM will be adopting. One is compensated absences. They are already in discussion with the various components on that adoption, as well as with the Controller's office on how that will look at the consolidated level, just to make sure that it is worked on cohesively throughout the organization. There are also certain risk disclosures this year for GASB 102 that should be of minimal impact.

In order to be able to provide a financial statement audit, the firms have to be independent of the organization. They all take independence extremely seriously. Each organization has a system of quality controls to help make sure they are maintaining independence with UNM and the respective component units. When talking about independence, they have to be aware of any employment relationships or business relationships within the management, the organization, or regents.

Part of the required communication is to communicate responsibilities. Management's responsibilities include maintaining effective records and being able to compile the financial statements. The auditor's responsibility is

timely communicating with management and those charged with governance. Of course, the biggest responsibility is forming, expressing, and issuing an audit.

If there's anything members of the Committee would like to speak about, they are happy to communicate, just reach out after the meeting. As part of every audit historically - and they will do it again this year - they actually set up a specific meeting with the Committee Chair and members of management and go through inquiries. Again, just part of the normal procedures is making sure that they have designed appropriate audit procedures over the course of the engagement.

- Victor Griego, Internal Audit Director, provided his quarterly report. He stated due to the meeting's time constraints he would only provide a high-level overview. For the audit plan status as of FY 2025, 13 audits are on the audit plan. Nine (9) have been completed or are in planning and field work, one (1) has been assigned, and three (3) are unassigned. Eight of the 12 audits from the FY 24 plan have been completed or are in process.

Internal Audit has currently completed the audit of the Anderson School of Management Foundation, which was presented in closed session. The department has just completed the audit of the Community Health Work Initiative (CHWI), which is pending some final touch-ups on the report and management responses to the recommendations. There is an education abroad audit and an international travel audit in the middle of field work procedures, and Internal Audit anticipates having those done and presented at the August Audit Committee meeting. Internal Audit is also in field work for the full administrative Athletics audit. It is a full-blown audit as well, and planning has been initiated for an IT disaster recovery audit. All these audits are the result of the University-Wide Risk Assessment, Three-Year Audit Plan, and the IT Risk Assessment.

Mr. Griego provided the status of Ethics Point complaints for fiscal year 2025. As of May 9th, Internal Audit is addressing 77 complaints - 32 have been completed, 34 are in process, and 11 are unassigned. These are all financial-related complaints that have been reported through Ethics Point or received via phone or email.

The last thing is required communication on external reviews. There are 11 external reviews or audits for this reporting cycle. The Human Resources Service Administration has completed two audits for total awards of \$1.2 million. There are no reported findings or recommendations related to those audits. There is one audit completed by the Department of Justice for a grant of \$300,000 awarded to El Centro de la Raza. There are no reported findings or recommendations from this audit. And other than that, there have been eight (8) other audits that have been initiated by different funders, including the City of Albuquerque, Public Allies, Patient Centered Outcome Research Institute (PCORI) and the Kellogg Foundation.

- Francie Cordova, Chief Compliance Officer, provided her status report to the Committee. She provided an update on the Title IX Coordinator search status, which is still none. She thanked the Regents and stated she really appreciated those who attended. They have been getting a candidate trickle. They have worked their hardest for six months now and she hopes at the next meeting they will have a new Coordinator to introduce.

Next Ms. Cordova provided updates on their work plan. They have been working on the foreign contracts and gifts policy that has been on the work plan for a couple of years now. It is finally complete, and it is enroute, if not on, President Stokes' desk. This policy is in regard to Section 117 of the Higher Education Act, which requires universities to report gifts from foreign sources and contracts from foreign sources that exceed a certain amount. There is some action in Congress to reduce that amount to \$50,000 from \$250,000 and an executive order from President Trump that requires increased oversight in this area. In fact, right after that executive order, they launched an investigation of Harvard and Berkeley. It is really timely that UNM has gotten this policy written. The policyholder will be the Controller's Office.

CEEEO has created an electronic reporting tool that can be used to collect information for reporting. Hopefully, it will be replaced with a vendor tool, probably Huron. The equal opportunity policies are forever in flux. They have been interim policies for a long time because of federal craziness back and forth. This summer, they are

working to move them from interim to a full best practice state. By fall, they will have those policies written. It will include equal opportunity, sexual harassment, and sexual assault, Clery, and the pregnancy policy.

Another item that has been on their work plan for what feels like ten years, but it is probably only a few years, is getting a conflict of interest and commitment policy that is consistent with State policies. It will have full disclosure for all UNM employees, faculty, and staff. It will have more information to help people figure out when they have conflicts or what has to be reported, and for plan managers to be able to create plans that mitigate any sort of risk that might be created. Legal and CEEO have been socializing it to UNM's executive leaders and to other stakeholders. It will also be going to public comment very soon.

Minors on campus public comment closed yesterday. This policy really is going to enhance how UNM tracks and figures out where minors are on campus, because there are zillions of them. They have now created an online portal and started importing all the camps and programs. Ms. Cordova stated that she hopes the Committee will go to loboyouth.com. If they ever need to figure out who is the person responsible for a certain kid at any moment, or if there is a fire somewhere, people would know what kids were in that building. This portal would be the way to track them, rather than trying to look through people's desk drawers, etc.

Ms. Cordova clarified these youths are under 18 and not dual enrolled with UNM or not otherwise chaperoned by their own school. They are at UNM for music camps, STEM courses, pipeline courses, Johnson Gym classes or athletic camps, that kind of thing. If they are dual enrolled and under 18, they are not covered by this policy.

Regent Reyes asked a question about the Title IX Coordinator - at this point, how long has UNM been without one? Ms. Cordova replied it is six months, but nothing is suffering. They are still keeping everything running. They are getting weary but are getting closer to finding the solution and getting someone. Regent Reyes asked how many investigators that coordinator position oversees. Ms. Cordova stated UNM started with two and now has four investigators and a compliance manager. Regent Reyes asked who the investigators report to absent the Coordinator. Ms. Cordova replied to the Equal Opportunity Director, Heather Jaramillo.

- Chien-chih Yeh, Audit Manager, provided the status of audit recommendation follow up reports for this reporting cycle. There are a total of 14 recommendations for this cycle. One for the Office of the Medical Investigator (OMI) was implemented since the last meeting, and the implementation is verified. This recommendation will now be closed in the tracking system.

The other six pages (13 recommendations) are still open recommendations. Either they are not due yet, or they have provided a status update in terms of the progress they made. For example, OMI provided updates on the status of recommendations four, five and six. Recommendations may be due in the next month or two, but IA received some very thorough updates. Auditors reach out closer to the implementation date, auditees provide the status update, and they know IA will come back to verify the implementation if they believe it has been implemented. For the NSP audit recommendations three, four, and five, management has implemented phase one, and they are on track to finish by June 30th. IA will go through the recommendation action, make a status determination, and present that information to the committee next time.

- The meeting adjourned at 10:39 AM.

Approved:

Audit and Compliance Committee Chair

**ROLL CALL VOTE AND
PROCEED IN
EXECUTIVE
SESSION**

CERTIFICATION

There is no
handout
required for this
item

(Advisors' Comments)

**Internal Audit Director's Status Report
Audit and Compliance Committee Meeting
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Internal Audit Operations and Staffing. Internal Audit is in process of evaluating financial resources to determine its expansion of staffing. The department is planning to transition the professional intern to a full-time internal auditor through the Professional Internship Program. IA is also in the process of evaluating current funding and reserves to determine the advertising of an Internal Auditor or Senior Auditor position.

Audit Plan Status. The FY25 audit project status with hours for the current audit plan is below. The status of the proposed audit plans is for the period of July 1, 2024 through June 30, 2025:

Completed/Report Writing	7
Planning/Fieldwork	2
Subtotal	9
Assigned	1
Unassigned	3
Total	13

The audit status report includes four (4) audits that were carried over from FY24. Nine (9) of 13 audits from the FY24 and FY25 audit plan have been completed or are in process. Internal Audit has currently completed the audits of International Travel and Community Health Work Initiatives (CHWI), which were presented in executive session.

Internal Audit is in the process of report writing or completing fieldwork procedures for Athletics Administration and Education Abroad programs. Planning procedures have been initiated for an audit of IT Disaster Recovery. An audit of Contracts and Grants has been assigned from the FY26 audit plan. All audits in process resulted from the Risk Assessment, Three-Year Audit Plan, IT Risk Assessment, and EthicsPoint reported concerns.

The following is the status of the FY25 and FY26 audit plans:

**Internal Audit Director's Status Report
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Description	Status	FY 25 Budgeted Hours	FY 25 Actual Hours	Variance
Audit Plan				
Prior Years				
Non-Standard Payments (NSP)	Completed - Follow up	100	102	(2)
Anderson School of Management	Completed - Follow up	1,170	1,007	163
Education Abroad Programs	Completed	345	485	(140)
IT - Disaster Recovery	Planning	0	0	0
FY 2025 Audit Work Plan				
Office of Community Health	Completed	500	1,408	(908)
President's Travel and Entertainment FY24	Completed	350	360	(10)
Risk Assessment	Completed	50	24	26
Athletics Administration	Fieldwork	1,350	1,015	335
Travel (International)	Completed	500	311	189
UNM Gallup	Unassigned	500	0	500
College of Nursing	Unassigned	0	0	0
School of Engineering Administration	Unassigned	0	0	0
FY 2026 Audit Work Plan				
Contracts and Grants	Assigned	250	0	250
Audit Plan Subtotal		5,115	4,712	403
Misconduct and Fraud		3,380	2,558	822
Audit Recommendations Follow-up		500	479	21
Management Requests		100	0	100
Non Audit Plan Subtotal		3,980	3,037	943
Total Project Hours		9,095	7,749	1,346

Complaint Status. The current status of complaints assigned to Internal Audit for FY25 and FY26, as of August 8, 2025, is:

	FY25	FY26
Completed/Closed	29	15
Planning/Fieldwork		30
Unassigned		15
Total	29	60

Of the 44 completed/closed cases, 12 complaints were substantiated or partially substantiated and 32 were unsubstantiated.

Complaints assigned to Internal Audit for review are those of financial related matters (i.e., fraud, theft, misuse of funds, time abuse, etc.). A confidential formal memo of Internal Audit complaint reviews is distributed to applicable UNM management and/or leadership to report outcomes of reviews and IA recommendations, if substantiated.

Internal Audit Director's Status Report
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Department Financial Report. Regents Policy 7.2 and Internal Auditing standards require the IA Director to submit an annual budget and financial report to the A&C Committee. At Tab VI (B) is the Internal Audit Department's final operating ledger reports for FY25 for your review. The FY25 final budget was \$1,437,916 and primarily consisted of \$1,326,858 (92%) from general pool funding and \$111,058 (8%) for the department's reserves. Total expenses for the year were \$1,174,654 resulting in I&G funding exceeding expenses by \$152,204. Internal Audit's budget savings is due to a Senior Auditor retiring in February 2025 and one auditor position vacant for half the year. IA's most recent Internal Audit hire started in January 2025.

IA is in the process of evaluating current funding and reserves to determine the advertising of an Internal Auditor or Senior Auditor position.

The FY26 adopted budget is \$1,542,509, of which \$1,423,834 is from the general pool, and \$118,675 is from the departmental reserve. Budgeted expenses are primarily labor at \$1,390,341 (90%) and is reflective of a fully staffed budget. Non-labor expenses primarily consist of IT and professional services, computer equipment, software maintenance, and trainings and professional development.

External Financial Statement Audit

The FY25 external audit is currently being conducted and is in the third and final year of its existing contract. The exit meeting for the audit and approval of the financial statement audit report is scheduled to occur during the October A&C Committee meeting.

Internal Audit Quality Assessment Review (QAR)

Internal Audit has initiated its process to conduct an external Quality Assessment Review (QAR). A QAR is required by Internal Auditing Standards to include an external review of Internal Audits audit files and reports to ensure the department is complying with internal auditing standards. IA is currently in the process of finalizing a contract with the lead external reviewer to complete the review. We anticipate the QAR will be completed in December or early January 2026. An update will be provided during the October meeting.

Required Communication. As required by the Internal Auditing Standards, Internal Audit management determines the following:

- Ongoing monitoring of the performance of the department, as a part of routine activities.
- All staff members are independent and objective in completing Internal Audit responsibilities.
- Internal Audit does not believe it has resource limitations to complete its audits and investigations.

External Audits and Reviews. Internal Audit obtains status update information from UNM Contracts and Grants regarding external audits/reviews of various grants and contracts by various grantor agencies. At Tab VI (B) is the summary information as of March 31, 2025 regarding the external audits/reviews (third party financial audits) of various grants, contracts, and programs by various grantor agencies. There are currently eleven (7) audits/reviews to report for this reporting period.

The Kellogg Foundation completed two (3) audits totaling \$1.6 million in grants awarded to the HSC College of Nursing, Sociology Department, and Anderson School of Management. The audit period covered

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all expenditures for the grants ranging from 11/1/2023 through 7/31/2024. The Kellogg Foundation reported minor findings for grants awarded to Sociology and ASM. Both have initiated corrective action in response to the findings and both audits closed.

The City of Albuquerque completed one (1) audit totaling \$750K in a grant awarded to the HSC Office of Community Health. The audit period covered all expenditures during FY25. The City of Albuquerque reported two concerns and one finding surrounding documentation. UNM has resolved both reported concerns and findings since the audit was completed.

Health Resources and Services Administration (HRSA) completed two (2) audits totaling \$1.2 million in grants awarded to the HSC Internal Medicine department. The audit period covered all expenditures since the grants' inception to 2/28/2025. HRSA did not report any findings as a result of the audits.

The Department of Justice (DOJ) completed one (1) audit for a \$300,000 grant awarded to El Centro De La Raza program. The audit period covers all activity from 10/01/22 through the end of the grant period. The DOJ did not report any major findings as a result of the audit.

UNM has been notified that audits of awards from the Health Resources and Services Administration (HRSA) for \$3 million, Public Allies for \$354K, and Patient Centered Outcomes Research Institute (PCORI) for \$10.7 million have been initiated. No preliminary results of the audits have yet been received.

Organization Level 5: 676A - Internal Audit Department
Includes Contra-Accounts.
Fiscal Year to Date: Through the Month of June 2025, Actuals Current Month is summarized for both Fiscal Periods 12 and 14.

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 Allocation Gen	\$1,326,858.00	\$.00	\$1,326,858.00	\$.00	.00%	\$1,326,858.00	100.00%	\$.00	\$.00	.00%
1900 - Reserves	\$.00	\$.00	\$.00	\$.00	.00%	\$446,784.21	.00%	\$.00	(\$446,784.21)	.00%
1901 - Budgeted Use of Reserves	\$111,058.00	\$.00	\$111,058.00	\$.00	.00%	\$.00	.00%	\$.00	\$111,058.00	100.00%
*Total Revenue	\$1,437,916.00	\$.00	\$1,437,916.00	\$.00	.00%	\$1,773,642.21	123.35%	\$.00	(\$335,726.21)	(23.35%)
Expense										
2020 - Administrative Professional Gen	\$817,075.00	\$.00	\$817,075.00	\$59,887.75	7.33%	\$728,396.43	89.15%	\$.00	\$88,678.57	10.85%
2060 - Support Staff Salary Detail Gen	\$57,691.00	\$.00	\$57,691.00	\$11,461.15	19.87%	\$68,935.40	119.49%	\$.00	(\$11,244.40)	(19.49%)
20J0 - Student Salaries Gen	\$33,275.00	\$.00	\$33,275.00	\$.00	.00%	\$13,343.30	40.10%	\$.00	\$19,931.70	59.90%
2110 - Fica Gen	\$69,556.00	\$.00	\$69,556.00	\$5,156.54	7.41%	\$57,285.73	82.36%	\$.00	\$12,270.27	17.64%
2140 - Retirement Gen	\$181,123.00	\$.00	\$181,123.00	\$12,949.83	7.15%	\$144,715.78	79.90%	\$.00	\$36,407.22	20.10%
2160 - Group Insurance Gen	\$140,982.00	\$.00	\$140,982.00	\$6,333.51	4.49%	\$75,855.57	53.81%	\$.00	\$65,126.43	46.19%
2180 - Unemployment Compensation Gen	\$591.00	\$.00	\$591.00	\$35.29	5.97%	\$398.19	67.38%	\$.00	\$192.81	32.62%
21A0 - Workers Compensation Gen	\$963.00	\$.00	\$963.00	\$99.93	10.38%	\$968.32	100.55%	\$.00	(\$5.32)	(.55%)
21J0 - Other Staff Benefits Gen	\$32,349.00	\$.00	\$32,349.00	\$2,562.84	7.92%	\$28,698.27	88.71%	\$.00	\$3,650.73	11.29%
21L0 - Accrued Annual Leave Gen	\$84.00	\$.00	\$84.00	\$.00	.00%	\$.00	.00%	\$.00	\$84.00	100.00%
21L1 - Catastrophic Leave Expense	\$84.00	\$.00	\$84.00	\$.00	.00%	\$373.25	444.35%	\$.00	(\$289.25)	(344.35%)
3100 - Office Supplies General	\$700.00	\$.00	\$700.00	\$.00	.00%	\$208.39	29.77%	\$.00	\$491.61	70.23%
3110 - Books Periodicals Gen	\$150.00	\$.00	\$150.00	\$.00	.00%	\$.00	.00%	\$.00	\$150.00	100.00%
3111 - Manuals	\$.00	\$.00	\$.00	\$338.71	.00%	\$338.71	.00%	\$.00	(\$338.71)	.00%
3140 - Computer Software Gen	\$223.00	\$.00	\$223.00	\$.00	.00%	\$867.00	388.79%	\$.00	(\$644.00)	(288.79%)

Organization Level 5: 676A - Internal Audit Department
Includes Contra-Accounts.
Fiscal Year to Date: Through the Month of June 2025, Actuals Current Month is summarized for both Fiscal Periods 12 and 14.

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
3150 - Computer Supplies <\$5,001	\$750.00	\$.00	\$750.00	\$995.00	132.67%	\$1,336.82	178.24%	\$.00	(\$586.82)	(78.24%)
3170 - Custodial Supplies Gen	\$500.00	\$.00	\$500.00	\$.00	.00%	\$.00	.00%	\$.00	\$500.00	100.00%
3180 - Non Capital Equipment <\$5,001	\$1,000.00	\$.00	\$1,000.00	\$.00	.00%	\$.00	.00%	\$.00	\$1,000.00	100.00%
3189 - Tagged Non-Capital Equipmnt <\$5,001	\$5,000.00	\$.00	\$5,000.00	\$.00	.00%	\$2,140.00	42.80%	\$.00	\$2,860.00	57.20%
31A0 - Business Food - Local	\$600.00	\$.00	\$600.00	\$.00	.00%	\$317.41	52.90%	\$.00	\$282.59	47.10%
31C0 - Dues Memberships Gen	\$6,000.00	\$.00	\$6,000.00	\$252.00	4.20%	\$4,672.00	77.87%	\$.00	\$1,328.00	22.13%
31J0 - Parking Permits Gen	\$150.00	\$.00	\$150.00	\$.00	.00%	\$435.00	290.00%	\$.00	(\$285.00)	(190.00%)
31K0 - Postage Gen	\$30.00	\$.00	\$30.00	\$.00	.00%	\$.00	.00%	\$.00	\$30.00	100.00%
31P0 - Training Materials Supplies Gen	\$250.00	\$.00	\$250.00	\$.00	.00%	\$.00	.00%	\$.00	\$250.00	100.00%
3800 - In State Travel Gen	\$300.00	\$.00	\$300.00	\$.00	.00%	\$10.76	3.59%	\$.00	\$289.24	96.41%
3805 - Instate Travel-Per Diem State \$	\$125.00	\$.00	\$125.00	\$.00	.00%	\$.00	.00%	\$.00	\$125.00	100.00%
3820 - Out Of State Travel Gen	\$5,000.00	\$.00	\$5,000.00	\$.00	.00%	\$365.98	7.32%	\$.00	\$4,634.02	92.68%
3825 - Out State Travel-Per Diem State \$	\$1,500.00	\$.00	\$1,500.00	\$.00	.00%	\$.00	.00%	\$.00	\$1,500.00	100.00%
3830 - Out State Trvl-Per Diem Non-State \$	\$500.00	\$.00	\$500.00	\$.00	.00%	\$.00	.00%	\$.00	\$500.00	100.00%
6000 - Telecom Charges Gen	\$4,000.00	\$.00	\$4,000.00	\$292.50	7.31%	\$3,740.00	93.50%	\$.00	\$260.00	6.50%
6020 - Long Distance Gen	\$40.00	\$.00	\$40.00	\$.00	.00%	\$.00	.00%	\$.00	\$40.00	100.00%
6060 - Voice Mail Box Gen	\$800.00	\$.00	\$800.00	\$50.00	6.25%	\$600.00	75.00%	\$.00	\$200.00	25.00%
6300 - Alarm System Gen	\$600.00	\$.00	\$600.00	\$11.25	1.88%	\$686.40	114.40%	\$.00	(\$86.40)	(14.40%)
6340 - Auditing Services Gen	\$15,000.00	\$.00	\$15,000.00	\$.00	.00%	\$.00	.00%	\$1,186.03	\$13,813.97	92.09%
6370 - Printing/Copying/Binding Gen	\$.00	\$.00	\$.00	\$.00	.00%	\$26.91	.00%	\$.00	(\$26.91)	.00%
63A0 - Conference Fees Gen	\$8,400.00	\$.00	\$8,400.00	\$.00	.00%	\$5,046.00	60.07%	\$.00	\$3,354.00	39.93%
63A2 - Seminars/Training Fees	\$4,000.00	\$.00	\$4,000.00	\$.00	.00%	\$4,599.00	114.98%	\$.00	(\$599.00)	(14.98%)
63C0 - Copying Gen	\$75.00	\$.00	\$75.00	\$.00	.00%	\$.00	.00%	\$.00	\$75.00	100.00%

Organization Level 5: 676A - Internal Audit Department
Includes Contra-Accounts.
Fiscal Year to Date: Through the Month of June 2025, Actuals Current Month is summarized for both Fiscal Periods 12 and 14.

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
63L1 - Graphic Design Gen	\$.00	\$.00	\$.00	\$.00	.00%	\$480.00	.00%	\$.00	(\$480.00)	.00%
69Z0 - Other Professional Services Gen	\$12,000.00	\$.00	\$12,000.00	\$28.39	.24%	\$9,334.38	77.79%	\$.00	\$2,665.62	22.21%
7000 - Plant Repairs Maintenance Gen	\$1,000.00	\$.00	\$1,000.00	\$.00	.00%	\$107.04	10.70%	\$.00	\$892.96	89.30%
70E0 - Computer Hardware Maintenance	\$850.00	\$.00	\$850.00	\$.00	.00%	\$.00	.00%	\$.00	\$850.00	100.00%
70E1 - Computer Software Maintenance	\$25,000.00	\$.00	\$25,000.00	\$.00	.00%	\$12,509.83	50.04%	\$.00	\$12,490.17	49.96%
70F0 - Equipment Rent Expense Gen	\$2,000.00	\$.00	\$2,000.00	\$162.65	8.13%	\$1,514.38	75.72%	\$.00	\$485.62	24.28%
75Z0 - Other Repairs Maintenance Gen	\$.00	\$.00	\$.00	\$.00	.00%	\$12.50	.00%	\$.00	(\$12.50)	.00%
80K0 - Banner Tax	\$800.00	\$.00	\$800.00	\$21.31	2.66%	\$493.52	61.69%	\$.00	\$306.48	38.31%
80K2 - Foundation Surcharge	\$6,800.00	\$.00	\$6,800.00	\$503.09	7.40%	\$5,841.62	85.91%	\$.00	\$958.38	14.09%
*Total Expense	\$1,437,916.00	\$.00	\$1,437,916.00	\$101,141.74	7.03%	\$1,174,653.89	81.69%	\$1,186.03	\$262,076.08	18.23%

Organization Level 5: 676A - Internal Audit Department
Includes Contra-Accounts.
Fiscal Year to Date: Through the Month of June 2025, Actuals Current Month is summarized for both Fiscal Periods 12 and 14.

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
Report Total Revenue:	\$1,437,916.00	\$.00	\$1,437,916.00	\$.00	.00%	\$1,773,642.21	123.35%	\$.00	(\$335,726.21)	(23.35%)
Report Total Expense:	\$1,437,916.00	\$.00	\$1,437,916.00	\$101,141.74	7.03%	\$1,174,653.89	81.69%	\$1,186.03	\$262,076.08	18.23%
Report Net:	\$.00	\$.00	\$.00	(\$101,141.74)	.00%	\$598,988.32	.00%	(\$1,186.03)	\$597,802.29	.00%

Parameters:
Organization Level 5: 676A - Internal Audit Department
Includes Contra-Accounts.

Fiscal Year to Date: Through the Month of June 2025, Actuals Current Month is summarized from Fiscal Periods 12 and 14.

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

	In Process	In Process	In Process	Completed	Completed	Completed	Completed
Granting Agency/Entity	HRSA	Public Allies	PCORI	City of Albuquerque	W.K. Kellogg Foundation	W.K. Kellogg Foundation	W.K. Kellogg Foundation
Contract/Grant/Program Title	3RQU2	2RXB0	3RSF7	ICM - Intensive Case MGMT 3RSJ4	3RPE2	2RSZ8	2RUY1
Contract/Grant Period	09/30/2023 - 09/29/2026	09/01/2023--09/30/2024	04/01/2024-10/31/2029	07/01/2024-06/30/2025	11/01/2023-11/30/2024	06/01/2021-11/30/2024	08/01/2022 - 07/31/2024
Contract/Grant Total Amount	\$3,000,000	\$354,605.00	\$10,738,360	\$750,000.00	\$120,315.00	\$1,008,130.00	\$500,000.00
Contract/Grant Amount - Current FY		\$354,605.00		\$750,000.00		\$427,046.06	\$464,077.54
Principal Investigator	Hengameh Raissy	Kiran Katira	Sanjeev Arora	Arthur Kaufman	Katie Kivlighan	Jessica Goodkind	Robert Delcampo
Department	HSC - Office of Research	Community Engagement Center	Project ECHO	Community Health	College of Nursing	Sociology	ASM Administration
Agency Audit/Review Notification Date	7/7/2025	4/11/2025	4/16/2025	3/21/2025	4/15/2025	4/8/2025	4/8/2025
Audit/Review Entrance/Visit Date(s)	7/16/2025			4/21/2025			
Questioned Cost, if any						NONE	NONE
Audit/Review Major Finding, if any				Two concerns, and one finding (all relating to documentation processes especially when discharging services) were identified during the audit.		Telecom charges accidentally charged to the grant will be disallowed. Certain payments were made after the reporting period. Because they were legitimate charges occurring within the period of performance, no action will be done, though it was noted that UNM should have requested an extension to cover the final payments made on the award. Misclassifications on financial report were made.	Small misclassifications within financial report. There will be no changes in Kellogg's Fluxx system, but it will be noted in the audit letter.
Corrective Action Plan, if any				According to letter received from sponsoring organization dated June 26, 2025, both concerns and the one finding related to documentation issues at the time of discharge were adequately addressed by auditee.		The department has already began to remove the telecom charges on the award. Information regarding requesting extensions if postings occur after the report period will be sent to both the department and the financial managers. CGA has noted that expenditures must be posted within the period of performance. A NCE should be requested by the department if we are expecting something to be posted after the PED such as subawards.	Information has been sent to the financial manager so that we are clear on how Kellogg wants items categorized.
Campus		Main	HSC	HSC	HSC	Main	Main
Comments	In Progress	In Progress	In Progress			Email dated 7/23/25 states Kellogg will be finalizing the audit and we can expect a summary letter.	Email dated 7/23/25 states Kellogg will be finalizing the audit and we can expect a summary letter.

Note: Third Party audit information provided by UNM Contracts and Grants.



REGENT'S AUDIT AND COMPLIANCE COMMITTEE
CEEО FISCAL YEAR 2024 – 2025 REPORT

Presentation Overview

Office Restructure

Hazing Summit

Annual EthicsPoint Report



Office Restructure

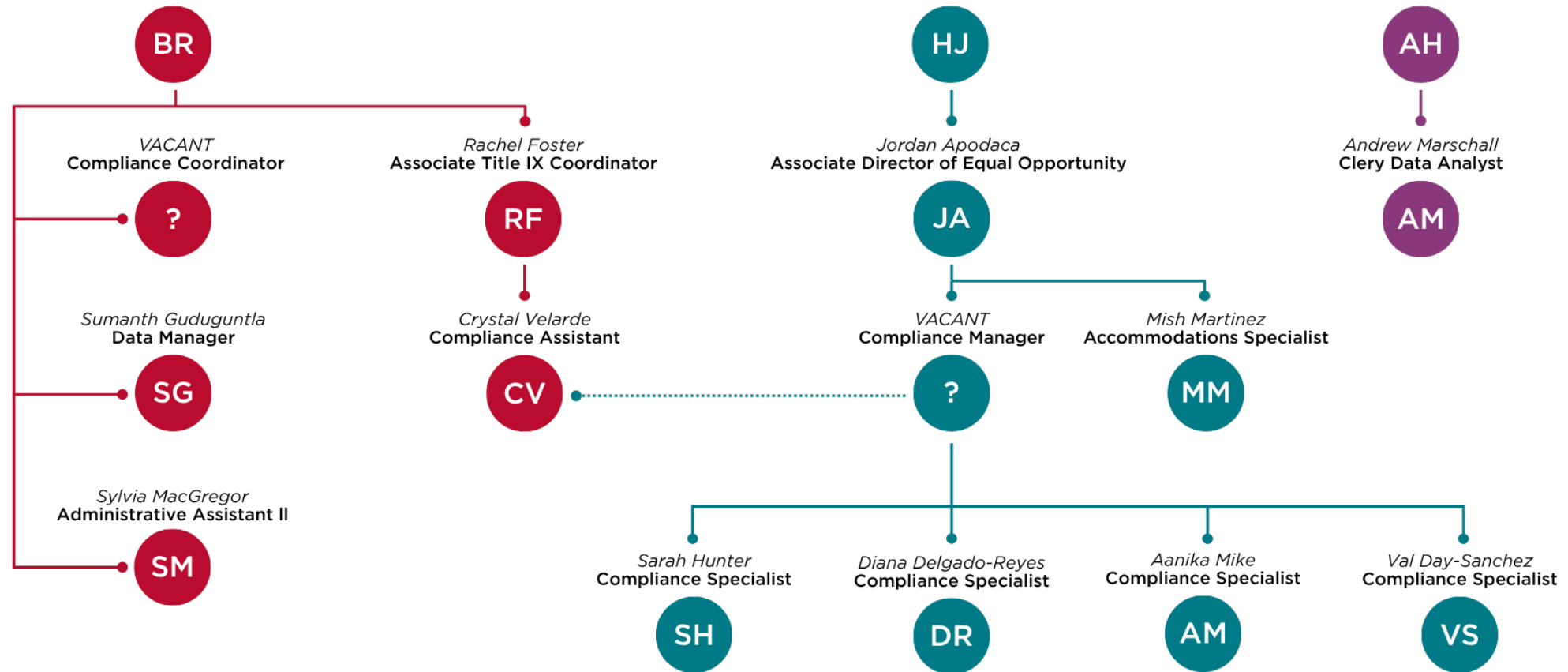
Francie Cordova, JD
Chief Compliance Officer/ADA Coordinator

Note: The Deputy Chief Compliance Officer/Title IX Coordinator and Clery Coordinator maintain a dotted-line (indirect/advisory) relationship with all employees.

Beck Rivera, JD
Deputy Chief Compliance Officer/Title IX Coordinator

Heather Jaramillo, JD
Director of Equal Opportunity/ADA Coordinator

Adrienne Helms
Clery Coordinator



Beck Rivera (he/him), Deputy Chief Compliance Officer and Title IX Coordinator



Started with UNM in 2020



Extensive background in LGBTQ+ initiatives and supporting marginalized communities



Licensed attorney and certified corporate compliance professional (CCEP)



Well liked by dogs and people



Building Our Title IX Work

Deputy Title IX Coordinators

Strengthen the Deputy Title IX Coordinator network to improve campus-wide access to support, ensure quicker response times, and promote consistent messaging across departments

Branch Campuses

Build stronger relationships with branch campuses through more in-person visits, collaborative planning, and ongoing training opportunities

Informational Resources

Expand and simplify access to resources on the CEEO grievance process, pregnancy accommodations, and lactation support

Grievance Options

Explore additional information resolution pathways to give participants more choice and flexibility in the grievance process

Stop Campus Hazing Act: SCHASummit 2025

SCHA 2025

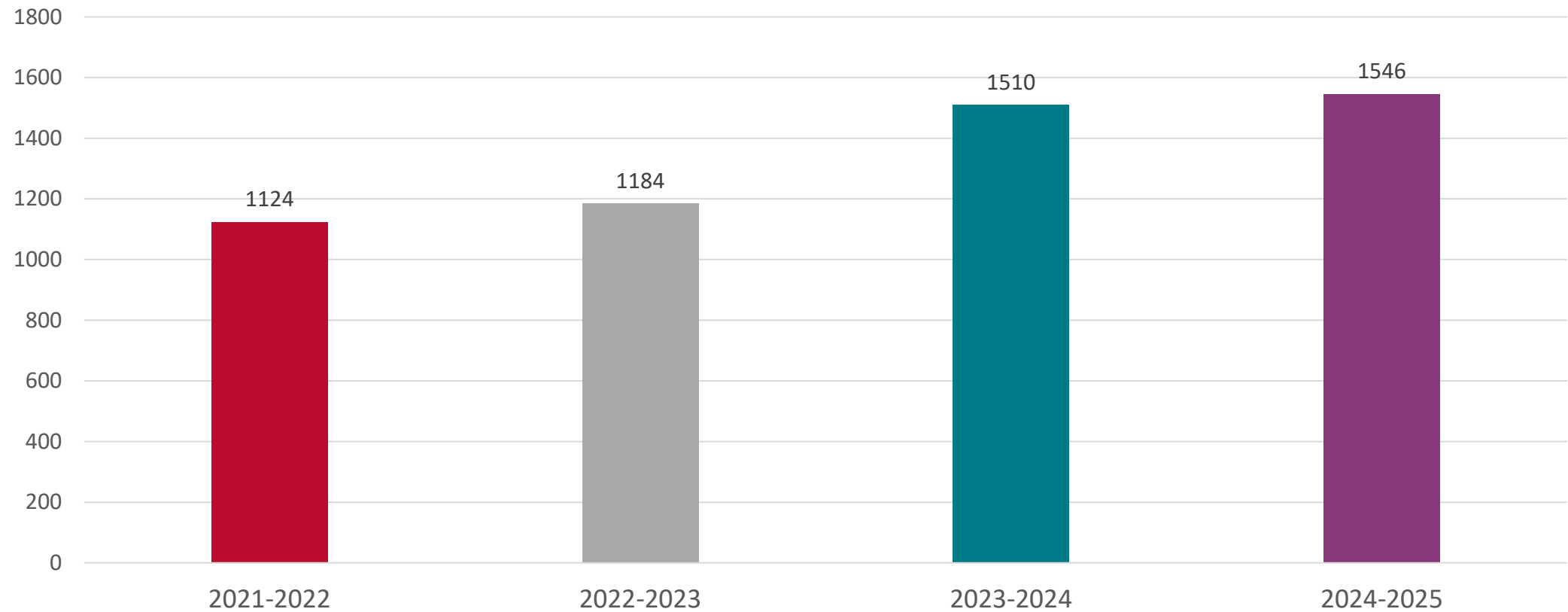




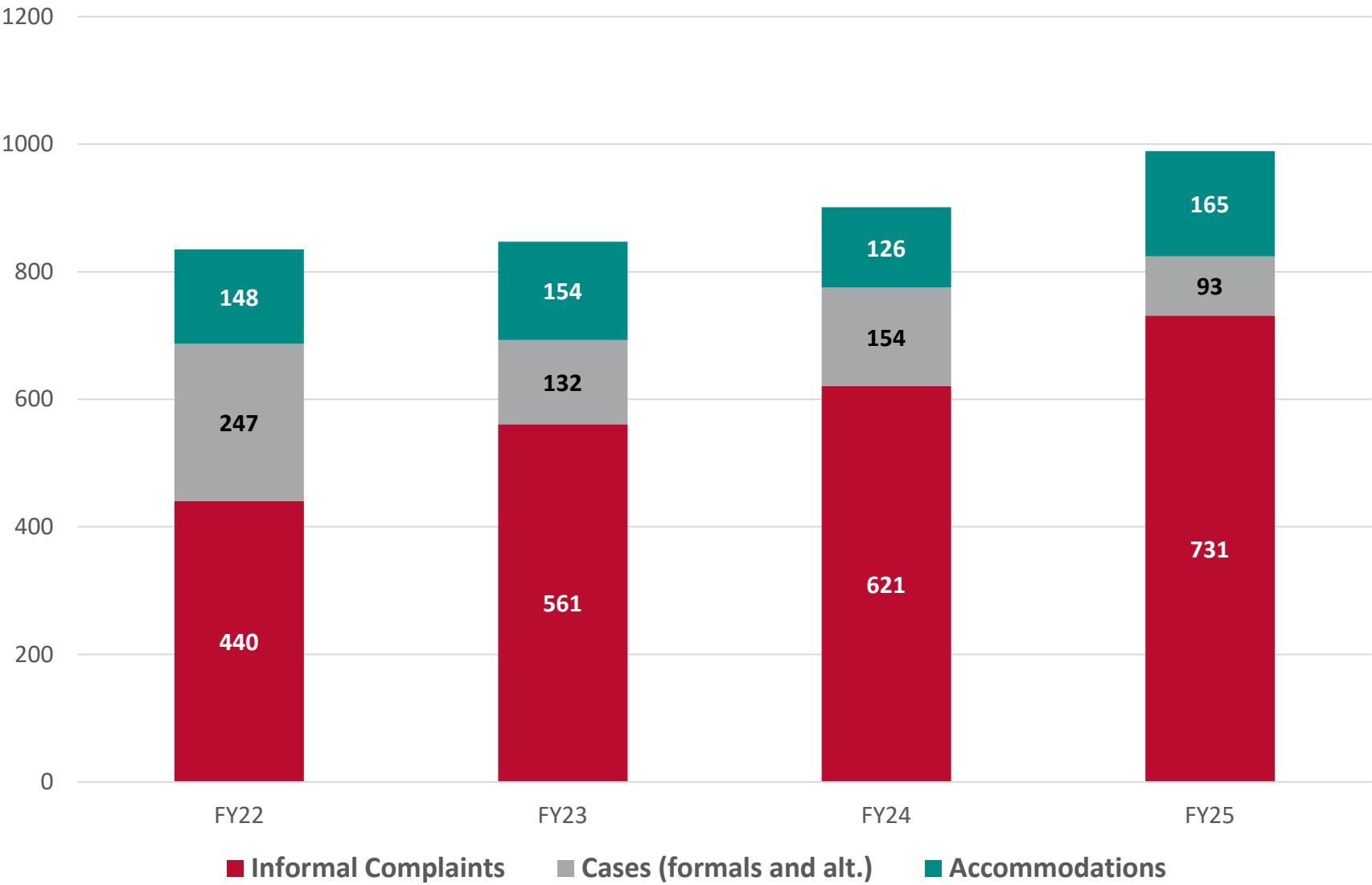
UNM Hotline Trends

Fiscal Year 2024 – 2025

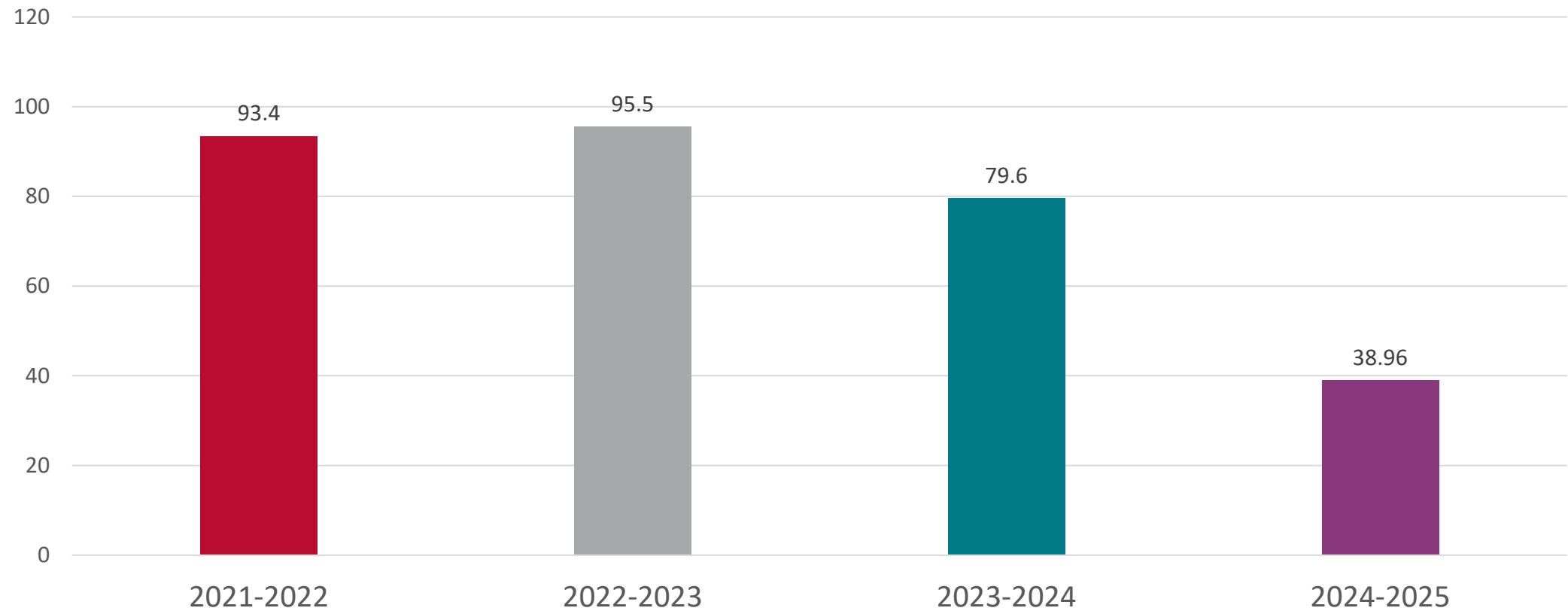
Total Number of EthicsPoint Reports



CEEO Report Breakdown Fiscal Year to Year



Average Days Cases Are Open (incl. CEEO Cases)

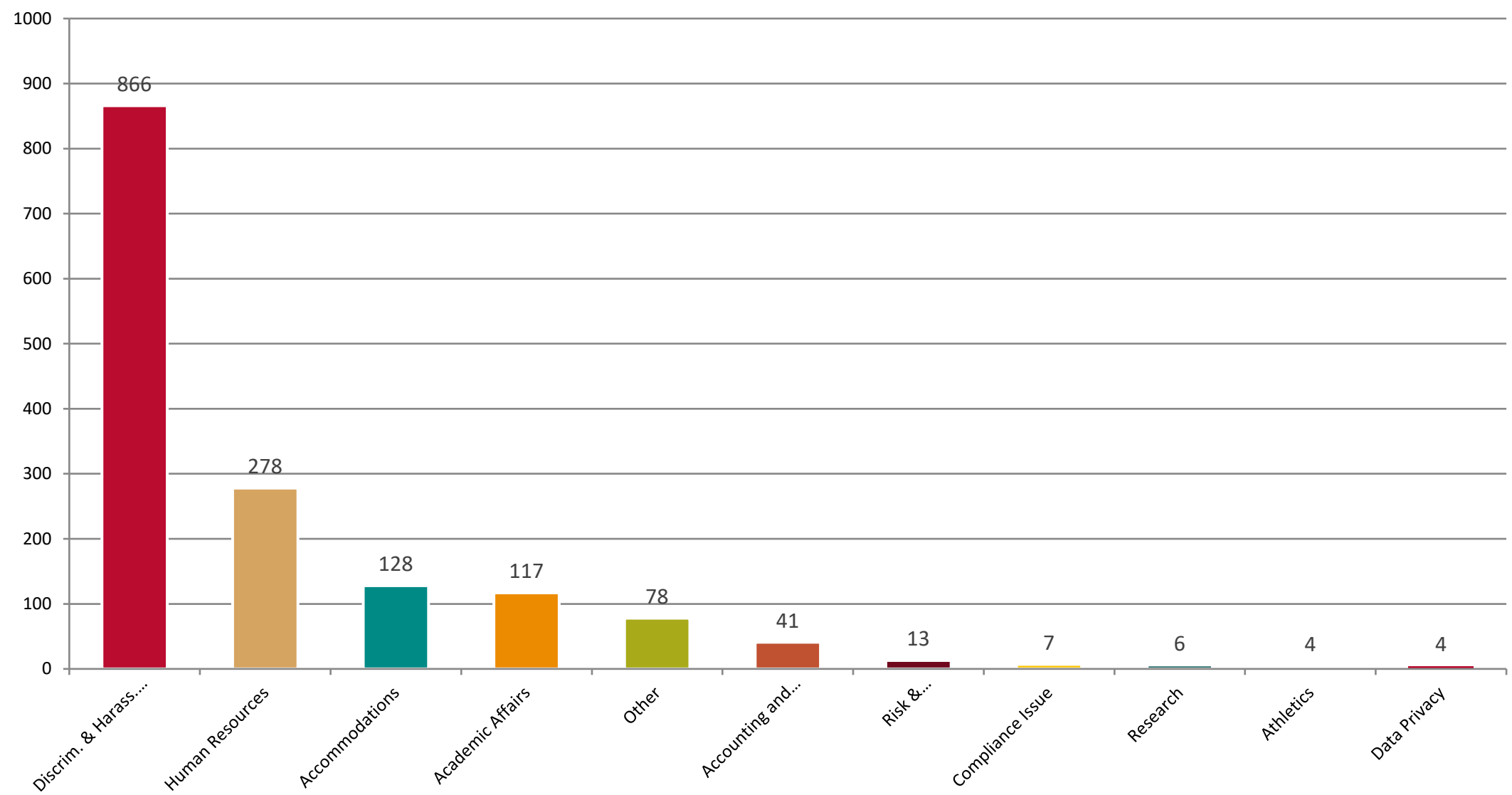


Anonymous Reporting Percentages Over Past 3 Academic Years

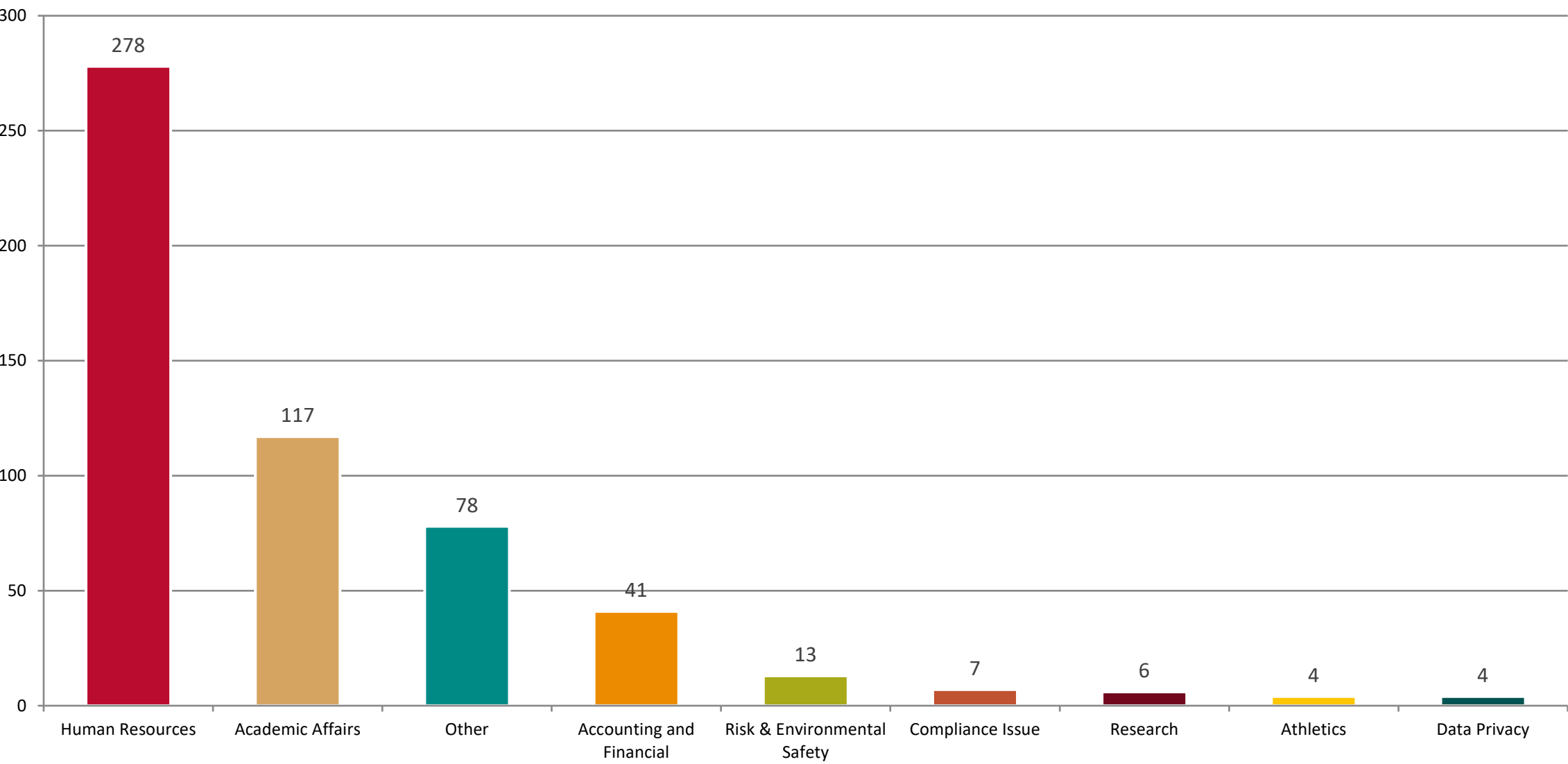
Academic Year	Percentage of Anonymous Reports	
	(incl. CEEO reports)	(excl. CEEO reports)
2022 - 2023	15.49%	47.99%
2023 - 2024	22.6%	48.2%
2024 - 2025	21.6%	36.15%



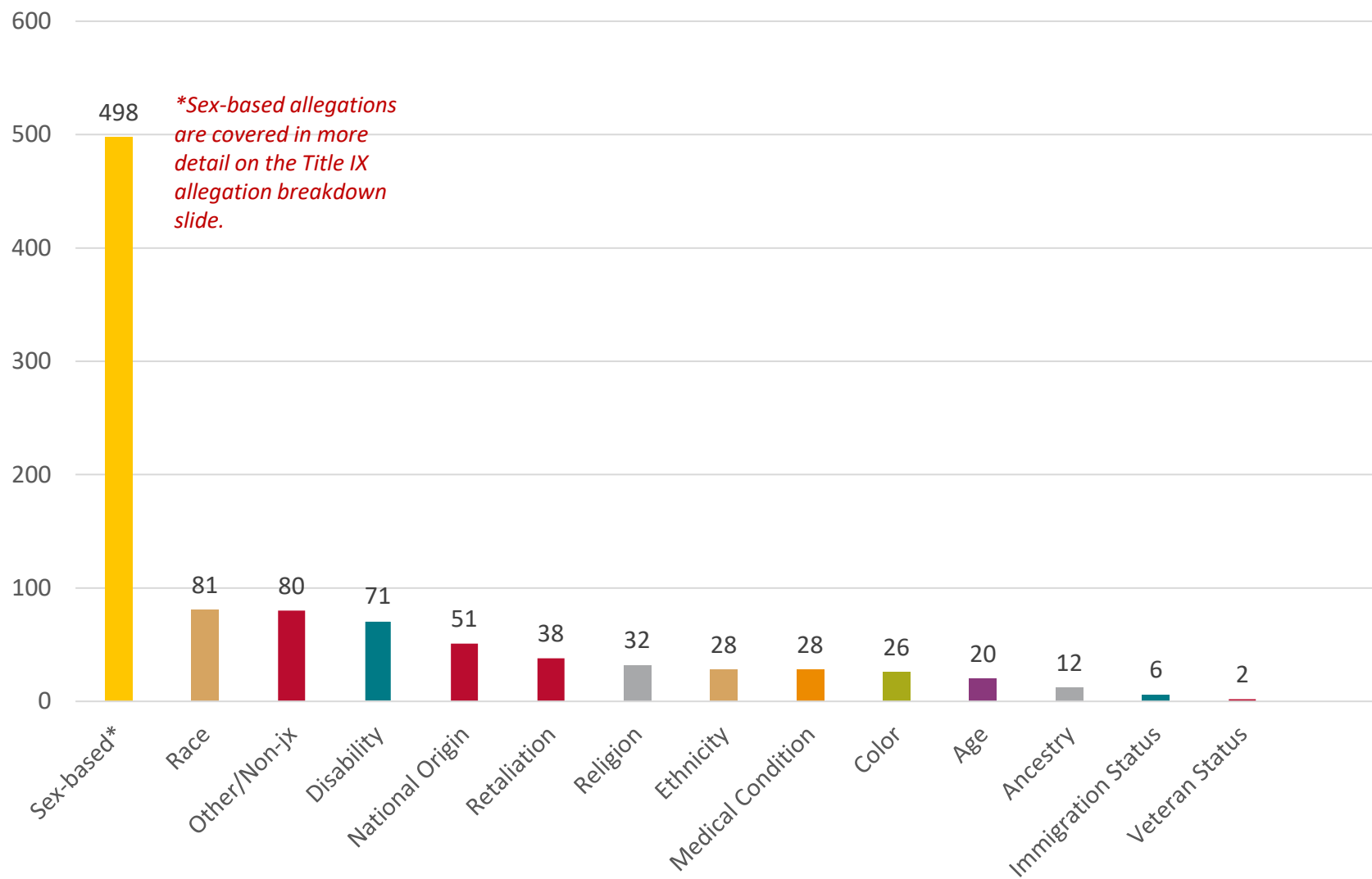
Top 10 Issue Types for FY25 (incl. CEEO cases)



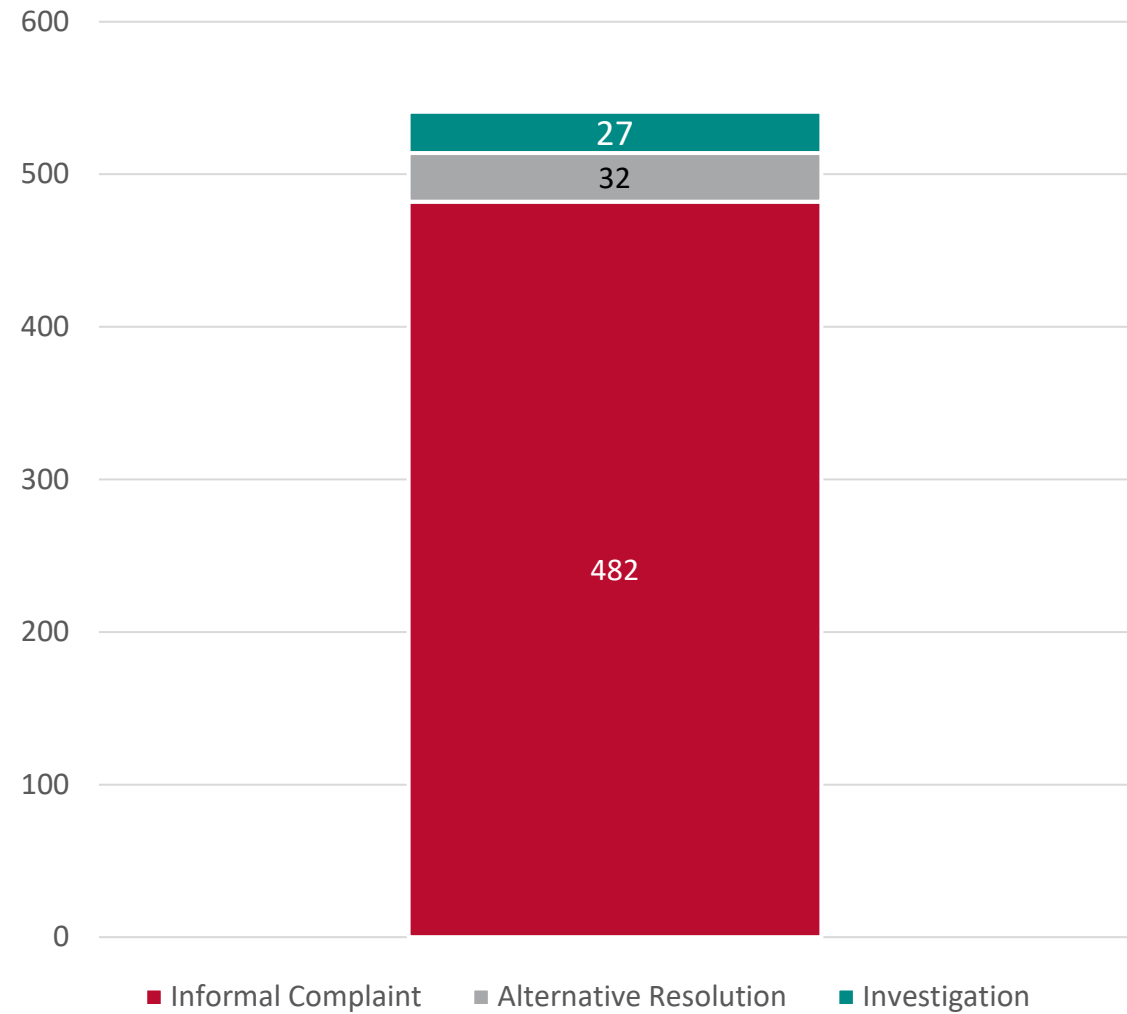
Top 10 Issue Types for FY2 (excl. CEEO cases)



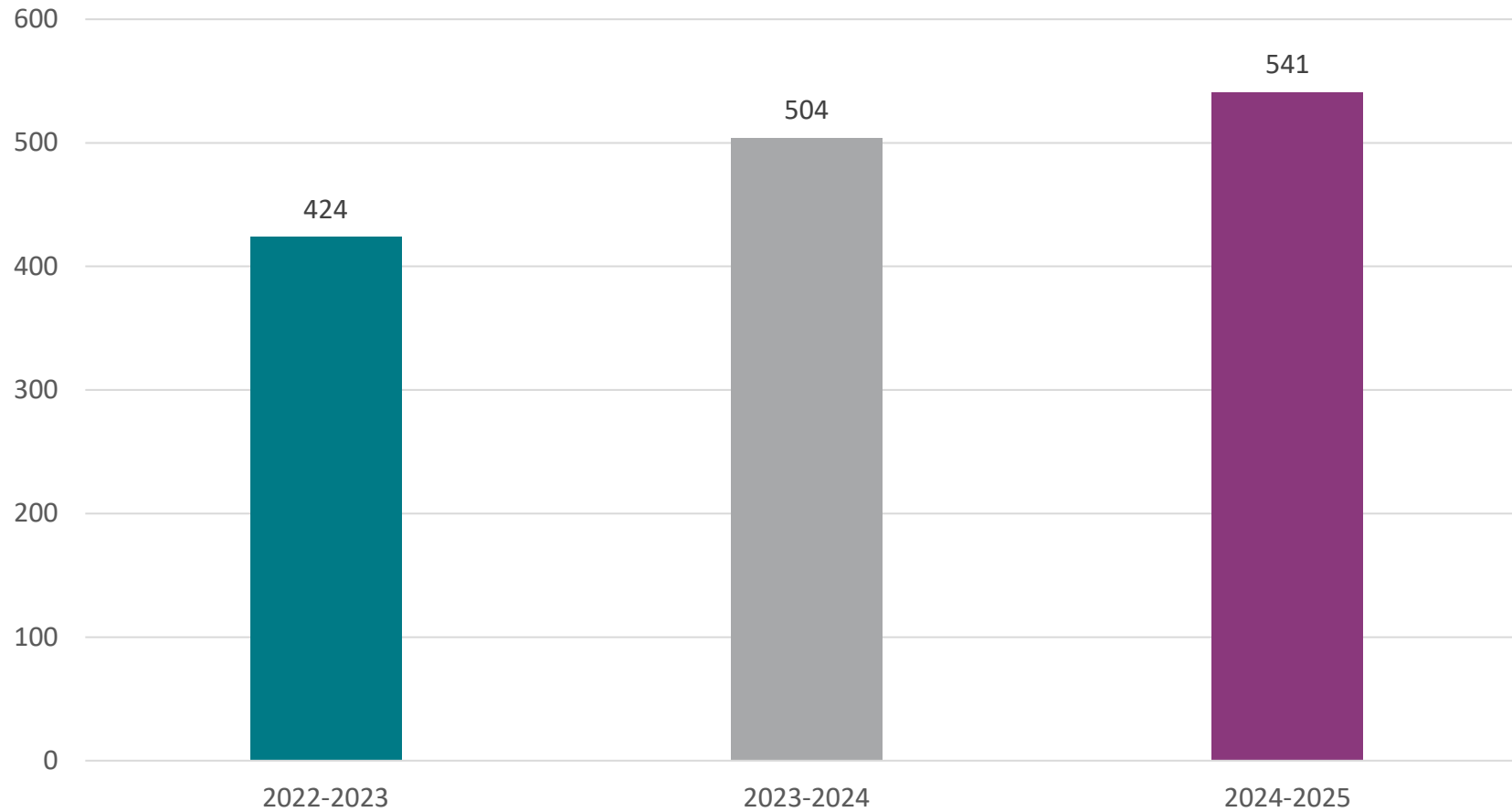
CEEO Complaints by Allegation Type for FY25



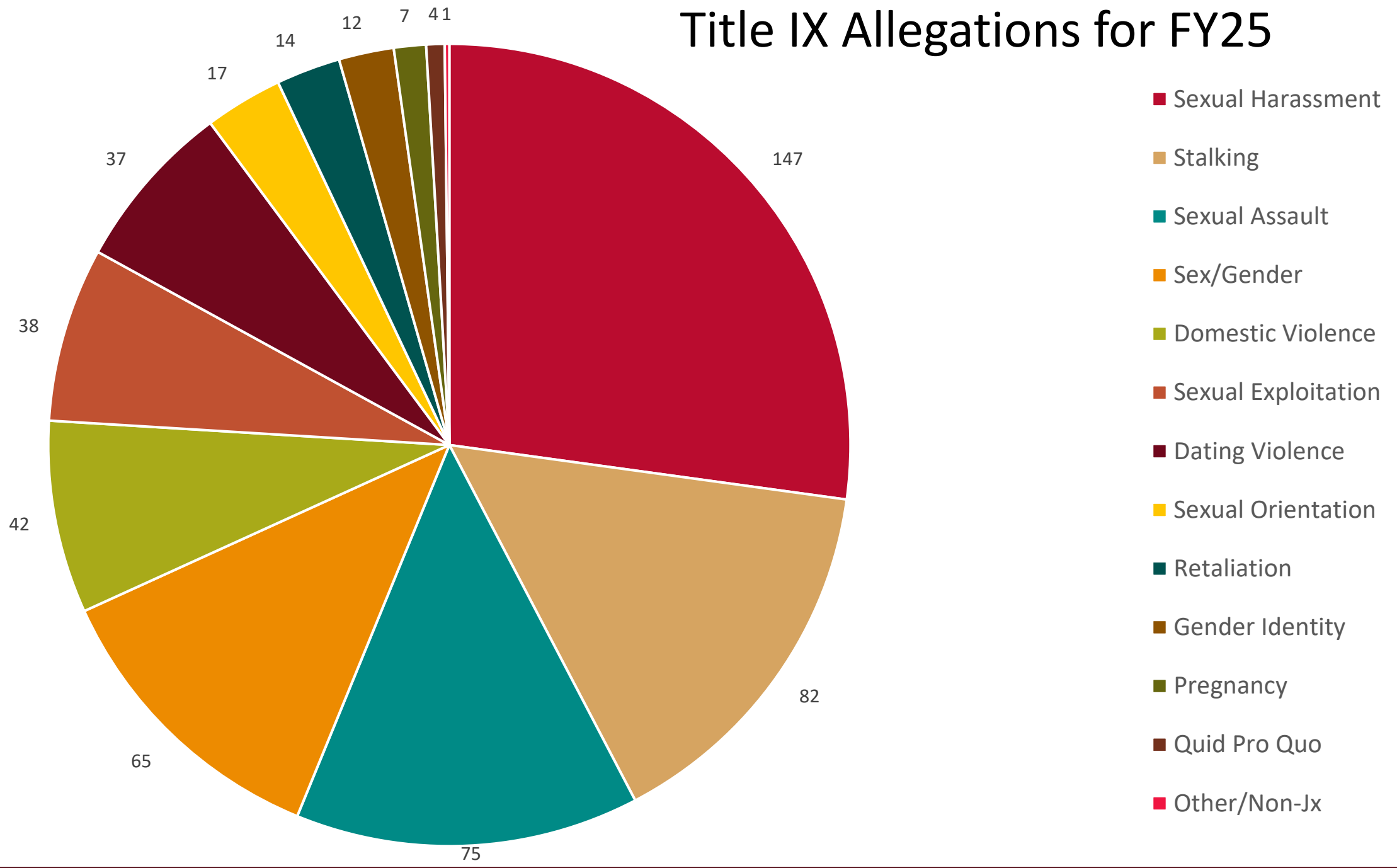
Title IX Report Breakdown for FY25



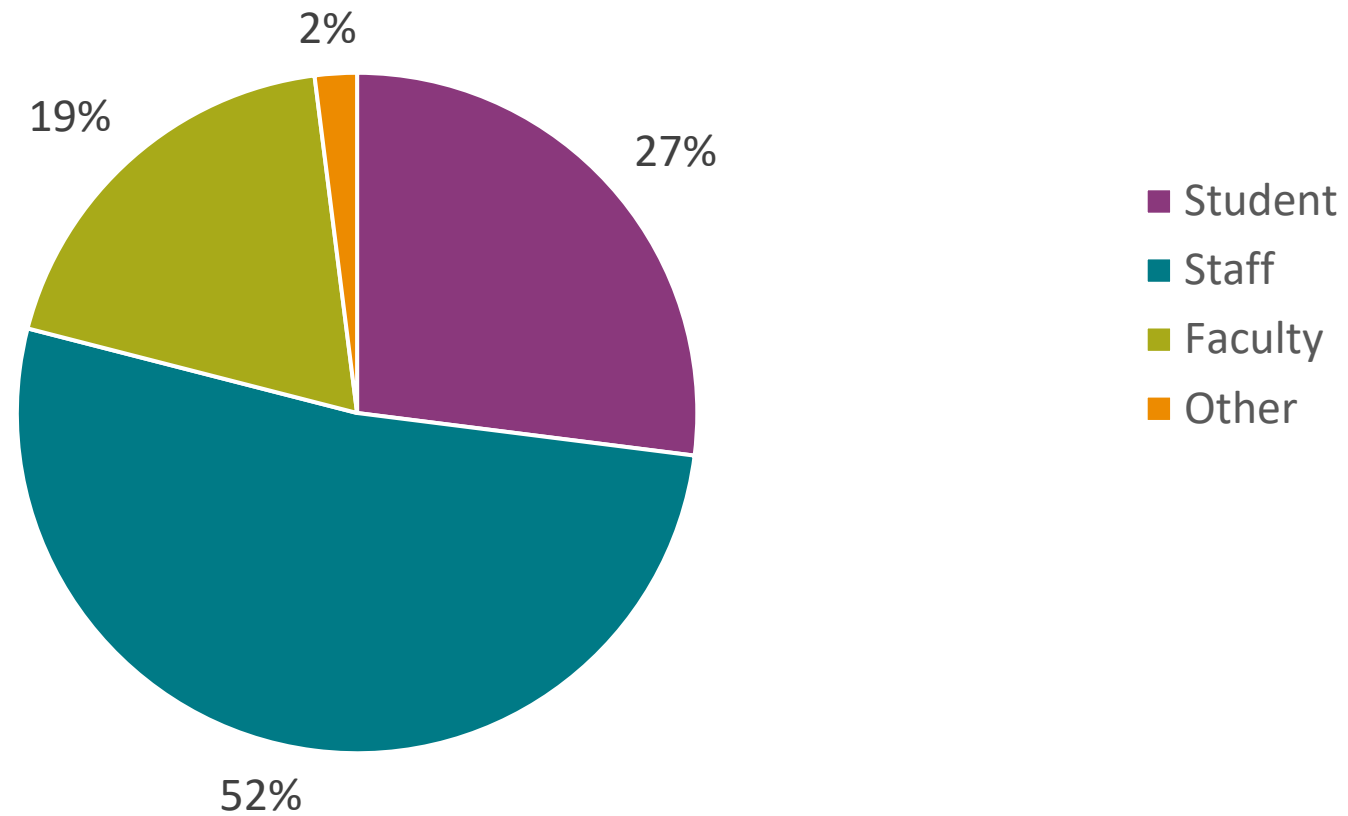
Title IX Reports – Academic Year Over Year



Title IX Allegations for FY25



CEEO Respondent Affiliation (formal investigations opened in FY25)



HSC Compliance Office Update: 2025 Compliance Risk Assessment Interviews

Angela Vigil, Compliance Officer

Brie Delvin, Associate Director

UNM Health Sciences Center Compliance Office

PRESENTED TO THE UNM BOARD OF REGENTS' AUDIT & COMPLIANCE COMMITTEE
ON TUESDAY, AUGUST 19, 2025

Compliance Risk Assessment Interviews | Purpose

The purpose of the Risk Assessment Interviews was threefold to assist the Compliance Office in:

- Identifying and assessing the current controls in place for mitigating current risks;
- Identifying risks that may impact the Health System in the future; and
- Creating the FY26 Compliance Audit Work Plans for each UNM Health System entity, and the Annual Compliance Work Plans for both the UNM Health System and UNM Health Sciences Center.

UNM Health Sciences | 2024 Compliance Risk Assessment Interviewees

- **College of Nursing**
 - » Rosario Medina, Dean
 - » Jose Gonzalez, Executive Director
- **College of Pharmacy**
 - » Don Godwin, Dean
 - » Melanie Dodd, Assoc. Dean, Clinical Affairs
- **College of Population Health**
 - » Tracie Collins, Dean
 - » Amanda Ortiz, Academic Operations Officer
- **Comprehensive Cancer Center**
 - » Yolanda Sanchez, CEO
 - » Brenda Stubbs, Director, Organizational Advancement
 - » Rodney Martinez, Chief Financial & Administrative Officer
- **Division of Human Resources**
 - » Kevin Stevenson, Vice President of HR
 - » Mei-Lee Palmer, Labor and Employee Relations Officer
- **Finance**
 - » Rebecca Napier, VP, Finance & Administration
 - » Jason Galloway, Chief Financial Services Officer
- **Information Technology**
 - » Dawn Harrington, Chief Information Officer
- **Office for Diversity, Equity & Inclusion**
 - » Amy Greene, Sr. Program Manager
- **Office of Research**
 - » James MacFarlane, Executive Director
- **Office of the Medical Investigator**
 - » Heather Jarrell, Chief Medical Investigator
 - » LaVonda Bowens, Operations Director
- **Privacy**
 - » Selam Wondaferew, Privacy Officer
 - » Nick Rahm, Deputy Privacy Officer
- **Rio Rancho Campus**
 - » Laura Burton, Associate Director, Business Operations
- **School of Medicine**
 - » Patricia Finn, Dean
 - » Betty Chang, Sr. Associate Dean, Clinical Affairs
 - » April Rodriguez, Director, Faculty Affairs
- **Office of University Counsel**
 - » Scot Sauder, Deputy University Counsel

UNM Health Sciences | Compliance Risk Assessments Success Synopsis

What We Are Doing Well

- Culture of transparency and communication among all staff levels.
- Leadership and OUC are highly sensitized to retaliation.
- Leadership understands the importance of compliance and are good at following requirements and setting the standard for compliance.
- When staff have concerns, they feel comfortable speaking to supervisory staff with resolution provided. Compliance Hotline posters are posted.

UNM Health Sciences | Compliance Risk Assessment Interview Results

Top Risks Identified During Risk Assessment Interviews

- Non-completion of annual mandatory training (Learning Central).
- Minors on Campus; programs go unreported, unsure if the accurate forms are being collected, and unclear processes and procedures.
- Artificial Intelligence – For entire organization.
- Competing or Conflicting Policies.
- Overall safety concerns; violence against staff and security in general.
- Employee Retention.
- Changes in leadership – lack of institutional knowledge; creates instability, anxiety among employees who might seek more stable employment elsewhere.

UNM Health Sciences | Compliance Risk Assessment Interview Results

Top Risks Identified During Risk Assessment Interviews (Continued)

- Keeping up with new regulations, new Federal regulations/requirements.
- Changes in federal grant funding/Medicaid/Medicare.
- Doing business with countries of concern. China, Hong Kong, Iran, North Korea, and Russia.
- Faculty who have never taught before are being hired.
- Banner – antiquated system.
- IRB – Lack of responses to questions specific to compliance or other research questions.

UNM Health Sciences | Compliance Risk Assessment Interview Results

Opportunities

- Fire Drills, Active Shooter and Emergency Response training is needed.
- Minors on Campus – Is policy known and understood? Confusion/lack of knowledge of requirements and process.
- AI – need to understand compliance standards; establishment of policies and procedures.
- Encourage all HSC employees and faculty to complete HSC Learning Central modules.
- An understanding of all policies related to Harassment.

UNM Health Sciences | Compliance Risk Assessment Interview Results

Opportunities (Continued)

- Remaining currently informed of Executive Orders in terms of policy modifications.
- Provide clarity surrounding which law enforcement agency responds to safety and security concerns due to building locations.
- Provide education around how to use EthicsPoint. As things arise staff are encouraged to use this resource.
- COI/COC/OA next steps.
- Committee – Privacy, IT (Main Campus). Compliance involvement is suggested.

UNM Health Sciences | Compliance Risk Assessment Interview Results

Next Steps:

- Provide training specific to Minors on Campus.
 - » Determine which departments/colleges are currently active in Minors on Campus programs.
 - » Perform audits of documentation that has been collected for current and past programs.
- Collaborate with Human Resources to provide training specific to Harassment.
- Explore participation in Privacy/IT Committee led by Jeff Gassaway.
- Explore the need for compliance audits of the FERPA process and Clinical Trials/Research.
- Remain current on federal changes and their impact on federal funding.
- Remain current on compliance initiatives surrounding Artificial Intelligence and participate, as required, in policy development to ensure its proper use.

UNM Health System | 2025 Compliance Risk Assessment Interviewees

- **UNM Hospital – Sandoval Campus**

- » Jamie Silva-Steele, Chief Executive Officer
- » Adrian Larson, Chief Operating Officer
- » Dr. Matthew Wilks, M.D., Chief Medical Officer
- » Correen Bales, Director of Human Resources

- **UNM Hospital – Lomas Campus**

- » Kate Becker, Chief Executive Officer
- » Mike Chicarelli, Chief Operating Officer
- » Steve McLaughlin, M.D., Chief Medical Officer
- » Sara Frasch, Ph.D., Chief Human Resources Officer
- » Rohini Mckee, M.D., Chief Quality Safety Officer
- » Bonnie White, Chief Financial Officer
- » Florencio Gallegos, Sr. Executive Director of Operations
- » Enrico Volpato, Executive Director of Faculty Services
- » Rachel Martin, Executive Director of HIM

- **UNM Medical Group, Inc.**

- » Christopher Arndt, Chief Executive Officer (Interim)
- » Jill Klar, Chief Operating Officer
- » Helen Nielsen, Vice President of Human Resources
- » Jennifer Phillips, M.D., Chief Medical Officer
- » Jared Udall, Chief Financial Officer

- **Office of the University Counsel**

- » Jennifer James, Sr. Associate University Counsel

UNM Health System | Compliance Risk Assessments Success Synopsis

What We Are Doing Well

- Improvements with ensuring Professional Services Agreements, Memorandums of Agreement and Memorandums of Understanding are in place.
- Patient Safety Leadership & Security do a good job of managing situations. Bi-annual drills are in place with security; e.g., active shooter drills, lock-down drills. Training occurs based on outcome. A set of double doors will be installed in the basement to accomplish complete lock-down.
- The 2024 identified risks are generally being managed well.
- Contract management software is close to being purchased.
- On target for opening Critical Care Tower.
- New payroll system (UKG) implemented at UNM Medical Group to ensure accuracy of employee data.

UNM Health System | Compliance Risk Assessments Success Synopsis

What We Are Doing Well (continued)

- Launched 340B Oversight Committee with identified key stakeholders to support processes and monitoring compliance and reporting.
- LoboSTEPPS Program – Freedom to speak up. Over 3500 staff and providers have been trained to date. QR Code can be used to provide feedback.
- Good catches recognition program.
- Employees feel comfortable going to management with concerns.
- Daily management huddles – Ensuring alignment with goals When complaints are presented, timely investigation and follow-up occurs.
- UNM Medical Group Audit & Compliance Committee Chair was highly impressed with how Audit & Compliance runs, very professional, well thought-out presentations.

UNM Health System | Compliance Risk Assessment Interview Results

Top Risks Identified During Risk Assessment Interviews

- Physical safety – More of an issue this year than last year. Environment toward staff and providers is becoming more hostile.
- Oversight of bills/invoices/change orders.
- Lack of access for patients into ambulatory and outpatient space. Creates delays in care and access to care. Reputational risk, litigation, meeting quality measures.
- Inconsistent use of interpreter services. Providers not calling interpreter when needed.
- Responsibilities and scope of APPs. CMS requirements are clear; however, from a practical standpoint, there is great variability in the involvement of Attendings in patient's care.
- HIPAA breaches due to mislabeling of documentation.
- Cybersecurity and AI.

UNM Health System | Compliance Risk Assessment Interview Results

Top Risks Identified During Risk Assessment Interviews (Continued)

- Billing accuracy.
- Tiger Connect – Has ongoing risk issues. It is not inside Bring Your Own Device (BYOD). Concern is that it is not HIPAA secure if staff can continue to place screenshots. Not sure if Tiger Connect is compliant with Record Retention requirements. Only available for 10 days.
- Split-Shared Billing
- Grants and flow of moneys from those grants. Who maintains these grants (Dental, school-based clinics)? There should be a clear understanding of what is allowable and plan expenses.
- Truman has expensive medications, requesting a better fridge with computer technology.
- Global Federal Changes including federal funding.

Opportunities

- Charge Capture. Are we billing everything that we can, all charges being captured. Finding better ways to capture charges.
- Improve communication between Lomas & Sandoval campuses.
- Validating billings from vendors. Checking work completed by construction vendors. Ensuring there are no related-party transactions.
- Missing sidewalk from Center of Excellence to SRMC. Creates access issues for patients.

Opportunities (continued)

- Agency for Healthcare Research and Quality (AHRQ) Candor Program – This currently does not exist at UNMH. Assists with communicating and supporting patients. This would be an excellent program to look into and implement. Good way to address adverse events and minimize risk.
- Executive Orders at the federal and state levels – How do we organize around that to ensure latest requirements are being met?
- There is a vulnerability that everyone reads P&Ps specific to their department, but in actuality, that is not the case. There is an opportunity to communicate the importance of this to all staff.

UNM Health System | Compliance Risk Assessment Interview Results

Referred to CLA:

- Audit of I-9 records and other HR records APP vacation accrual rates.
- Contract Repository.
- Critical Care Tower – Equipment, money that have transpired.
- UKG – Checks and balances to ensure accuracy.
- Implant tracking – Operating Room should be audited using IPM (Implant Management System) Some staff are tracking via paper.

UNM Health System | Enterprise & Compliance Risk Assessment Next Steps

Next Steps:

- Continued billing audits by the Compliance Office to ensure appropriate billing of services.
- Continued quarterly compliance updates in Compliance Corner
- Continue to explore opportunities to improve provider documentation through various educational platforms.
- Remain current on federal changes and their impact on federal funding.
- Remain current on compliance initiatives surrounding Artificial Intelligence and participate, as required, in policy development to ensure its proper use.



Thank you for your time.

Angela Vigil, Compliance Officer
AngMVigil@salud.unm.edu

Brie Delvin, Associate Director
Bdelvin@salud.unm.edu

Follow Up Report - Implemented
Aug 19, 2025 Open Session

Agenda Item VI (E)

No	Project Name	Report Approval Date, # of Recommendations, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Estimated Implementation Date	Recommendation Action	Responsible Party
1	<u>Office of the Medical Investigator (OMI)</u>	5/2/2024, 9, M	<u>Recommendation 1 - Accounting and Other Policies and Procedures</u>	The OMI Chief Medical Investigator should: Develop a comprehensive business operations manual that outlines policies and procedures for key business processes, including, but not limited to: journal vouchers; accounts payable; accounts receivable; payroll processing and time entry; and ensuring compliance with restricted funding agreements, etc. These policies should be incorporated into a comprehensive Business Operations Manual. Conduct comprehensive training over key business processes based on a completed Business Operations Manual.	The Deputy Chief Medical Examiner (Deputy Chief Medical Examiner) will oversee and develop a Business Operations Manual, alongside the OMI Operations Directors, OMI Operations Director and accounting (OMI Accounting). The SOPs are currently in the process of being updated and compiled into a central location that currently consists of over 600 pages of material.	12/31/2025	Internal Audit verified that as of August 4, 2025, OMI Management has completed developing accounting policies and procedures, which were incorporated into updated organization-wide policies and procedures. Recommendation has been implemented.	Heather Jarrell, CME, OMI

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1	<u>Project ECHO</u>	8/3/2023, 8, M	<u>Recommendation 2 - Timely Perform Effort Certification</u>	Internal controls should be strengthened to ensure effort certification is completed by the due date. The Project ECHO Director should assign the pre-reviewer role to individuals more directly tied to the project, possibly the employee, and/or perform interim effort reviews, to allow for faster turnaround of the full six-month period effort certification.	Contracts and Grants are rolling out a new system and Project ECHO will be Beta Testing for them. The system will use the close of each fund to certify effort. The PI will have access to all employee efforts for the fund at the time of the closeout. The completion time for Effort Certification will be in compliance with the deadline set by HSC.	12/31/2026	Management indicated an extension is needed. The extension of the estimated implementation date to December 31, 2026 was approved.	Karla Thornton, Clinician Ed - Professor: IM Infectious Disease; Lynn Waln, Chief Adm Ofcr/Project ECHO
2	<u>Office of the Medical Investigator (OMI)</u>	5/2/2024, 9, M	<u>Recommendation 3 - Non-Exempt Time Keeping and Reporting</u>	The Health Sciences Senior Executive Officer for Finance and Administration should work with UNM Senior Vice President for Finance and Administration to identify and implement an electronic time reporting system for OMI. Electronic time keeping would allow employees and supervisors to capture non-exempt time via a virtual time clock as well as employee and supervisor approvals before being uploaded directly into Banner for processing.	UNM, including Health Sciences, is in the process of executing a contract for a cloud-based time management system that will significantly address the challenges associated with the diverse geographical locations for the various OMI team members. The system will also provide robust reporting that will support administrative oversight to ensure accurate time entry. The expected implementation timeline is 12-18 months for the system to be fully operational. In the meantime, UNM HSC HR, will work with the director to provide intermediary steps until the time that implementation occurs.	12/31/2025	HSC VP for Finance and Administration indicates OMI's employees will be included as part of the group that will be included in the rollout of the new time keeping solution, expected to be implemented in November 2025. Internal Audit received and has approved an extension on implementation date to December 31, 2025.	Rebecca Napier, HS VP for Fin and Adm
3	<u>Office of the Medical Investigator (OMI)</u>	5/2/2024, 9, M	<u>Recommendation 4 - Adequate Employee Supervision AND Field Deputy Medical Investigators (FDMI) Job Description</u>	The OMI Chief Medical Examiner should: Work with the EVP for Health Sciences office to secure adequate financial resources to add supervisor positions that address current Supervisor-to-FDMI ratios and lack of oversight. Restructure FDMI County FDMI reporting and communication to Albuquerque headquarters for adequate oversight for day to day operations. Conduct a review of its employee activity and determine if these employees should be reclassified into more appropriate job titles/position codes. Ensure that OMI employees with an FDMI job assignment physically reside within the State of New Mexico.	The Chief Medical Examiner will work with HSC leadership to secure funding for the FDMI supervisor positions. Reorganization structure has been designed for these positions and is pending funding. The Chief Medical Examiner will work with OMI Operations Director and OMI HR Administrator to review employee duties to determine if job reclassification should be recommended. Additionally, the OMI Operations Director and the HR administrator will work with the FDMI Supervisor to verify that FDMIs reside within New Mexico and work primarily in their county of residence.	7/1/2026	OMI has hired two FDMI shift supervisors whom have been assigned responsibility over half the state. OMI continues to work to secure funding to hire additional FDMI shift supervisors with the goal of each supervisor having oversight over one quadrant of the state.	Heather Jarrell, CME, OMI

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4	<u>Office of the Medical Investigator (OMI)</u>	5/2/2024, 9, M	<u>Recommendation 5 - FDMI Scheduling and Dispatching</u>	The OMI Operations Director should strengthen scheduling procedures to ensure scheduling is a centralized process and work is performed by an appropriate designated OMI position. In addition, internal controls should be strengthened to ensure only FDMI personnel are responding to the scene. Written communication should be distributed to FDMI staff stating that non-affiliated UNM personnel should never be dispatched to the scene as an FDMI representative.	The Chief Medical Examiner will work with the Operations Director and the Field Investigations Supervisor to strengthen scheduling procedures, which are limited by lack of adequate quantity of field investigators to cover all counties; more specifically, the northeastern quadrant of the state lacks adequate coverage. The Chief Medical Examiner will work with the Operations Director and the FDMI Supervisor to provide written communication and a SOP to address that only FDMIs employed by the OMI will be dispatched to scenes.	5/1/2025	OMI reports trial-run of new procedures appears to be working as intended and will be moving to implement new procedures statewide. Internal Audit is in the process of verifying implementation of this recommendation.	Heather Jarrell, CME, OMI
5	<u>Office of the Medical Investigator (OMI)</u>	5/2/2024, 9, M	<u>Recommendation 6 - Indigent Burial Program and Personal Effects</u>	The OMI Chief Medical Examiner should work with the Board of Medical Investigators, which does have mortuary representation on the Board, to develop appropriate procedures addressing the delivery of personal effects of decedents buried under the indigent burial program.	The Chief Medical Examiner will work with UNM Legal Counsel to ensure that the plan for personal effects of unclaimed decedents released to the county operates within the confines of state law. The Chief Medical Examiner will work with the NM Association of Counties to communicate the plan for all counties, including the timeline for carrying out the plan.	6/1/2025	Collaboration continues between OMI, Bernalillo County, and other stakeholders on this matter. Internal Audit is in the process of verifying implementation of this recommendation.	Heather Jarrell, CME, OMI
6	<u>Office of the Medical Investigator (OMI)</u>	5/2/2024, 9, M	<u>Recommendation 7 - Monitoring Contractor Performance</u>	The Chief Medical Examiner should develop and implement a periodic Performance Audit Program for its decedent transportation vendors and contractors. Elements of a vendor monitoring and performance audit program should include, but not be limited to: Review of the contractor's employee policies and procedures as they relate to those employees that will be providing services to/for OMI. Review of vendor's performance obligations. Annual review of billed mileage.	The Chief Medical Examiner will work with OMI Accounting and the Operations Director to develop a plan to internally audit decedent transportation vendors on a periodic, scheduled basis.	7/1/2026	OMI Management has requested, and was granted, an extension from Internal Audit on the implementation deadline to July 1, 2026.	Heather Jarrell, CME, OMI

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7	<u>Non-Standard Payments (NSP)</u>	8/8/2024, 7, M	<u>Recommendation 1 - Non-Standard Payment Business Process Manual</u>	The Executive Vice President for Finance and Administration Office should develop and implement a comprehensive NSP business manual that outlines policies, specifically UAP policies 2000 and Faculty Handbook Policy 140. The manual should also provide guidance and requirements to departments, employment areas, and payroll personnel involved in processing each NSP type.	Human Resources and Health Sciences administration will partner with the employment areas (EA) to create a centralized repository for NSP processing standards utilizing the Employee Knowledge Base. The Employee Knowledge Base is an existing centralized repository for personnel action processing guides, including ePAF-based transactions. Each EA will be responsible for creating their processing guide, consistent with the applicable policies, to include documentation, approval standards, and systematic changes and process improvements identified through the process review referenced in Recommendation 2.	6/30/2025	As of August 2025, Internal Audit is in the process of completing testwork to confirm all recommendations have been implemented.	Teresa Costantinidis, EVP Finance & Administration
8	<u>Non-Standard Payments (NSP)</u>	8/8/2024, 7, M	<u>Recommendation 2 - System for Non-Standard Payment Process</u>	The Executive Vice President for Finance and Administration office should develop and implement a system for the processing and approval of NSP disbursements. The system should provide a centralized location with the ability to upload and house supporting documents. In addition, the system will strengthen internal controls by improving the review and approval process for NSPs disbursed throughout the University. An implemented system may also perform edit checks and other automated functions.	Human Resources and Health Sciences administration will partner with the employment areas (EA) to engage the Project Management and Improvement Office (PMIO) to conduct Lean methodology-based process reviews to document NSP processing standards across employment areas and identify areas for process improvements, including utilizing available technology solutions. While the responsible parties agree that technology solutions are needed to improve NSP processing, they are committed to implementing process improvements using currently available systems (ex. Banner, ePAF, document management systems, financial reconciliation processes). Upon completion of the PMIO facilitated process review, the responsible parties will have identified and implemented the appropriate technology solutions and data entry standards for NSPs across all applicable employment areas.	6/30/2025	As of August 2025, Internal Audit is in the process of completing testwork to confirm all recommendations have been implemented.	Teresa Costantinidis, EVP Finance & Administration

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9	<u>Non-Standard Payments (NSP)</u>	8/8/2024, 7, M	<u>Recommendation 3 - NSP Documentation</u>	Internal Controls surrounding documentation supporting NSPs should be strengthened. The Executive Vice President for Finance and Administration office should require completeness of supporting documents for all payments. In addition, documentation submitted with approved NSPs should be sufficient for the employment area reviewer and payroll to recalculate an NSP disbursement for accuracy.	Human Resources and Health Sciences administration will coordinate an effort with all applicable employment areas (EAs) to inform the EAs of the recommendations from the audit, actions needed to support the PMIO Lean process review, and to reinforce NSP documentation and approval requirements. The EAs will be responsible for reviewing and updating NSP processing documentation, including the standards for sufficient supporting documents. The EAs will be responsible for communicating these standards to their applicable departmental clients and leadership. Health Sciences administration will be responsible for identifying, documenting, and communicating documentation standards for clinical faculty payments. The EAs and payroll will review and update internal standard operating procedures to include a review and retention of NSP documentation within personnel file maintenance systems.	Phase 1: 10/15/2024 Phase 2: 6/30/2025	As of August 2025, Internal Audit is in the process of completing testwork to confirm all recommendations have been implemented.	Teresa Costantinidis, EVP Finance & Administration
10	<u>Non-Standard Payments (NSP)</u>	8/8/2024, 7, M	<u>Recommendation 4 - Formally Documented Approvals</u>	Internal Controls surrounding NSP approvals should be strengthened. NSPs should not be processed unless documented approval is provided for the approved NSP amount. The Executive Vice President for Finance and Administration should submit formal communication to employment areas and Payroll indicating NSPs should not be processed without first verifying required approvals have been obtained.	Human Resources and Health Sciences administration will coordinate an effort with all applicable employment areas (EA)s to inform the EA of the recommendations from the audit, actions needed to support the PMIO lean process review, and to reinforce NSP documentation and approval requirements. The EAs will be responsible for reviewing and updating NSP processing documentation, including the requirement for documented approvals. The EAs will be responsible for communicating these standards to their applicable departmental clients and leadership. Health Sciences administration will be responsible for identifying, documenting, and communicating approval requirements for clinical faculty payments.	Phase 1: 10/15/2024 Phase 2: 6/30/2025	As of August 2025, Internal Audit is in the process of completing testwork to confirm all recommendations have been implemented.	Teresa Costantinidis, EVP Finance & Administration

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11	<u>Non-Standard Payments (NSP)</u>	8/8/2024, 7, M	<u>Recommendation 5 - Accuracy of Documentation and Account Coding</u>	Internal controls should be strengthened to ensure documentation is accurate and NSPs are recorded to the appropriate account coding. Departments should verify accurate information related to the disbursement is documented in the EPAF system prior to submitting an NSP to the area of employment for review. Area of employment reviewers should have access to all NSP supporting documentation to confirm accuracy of details of the NSP, such as: accurate end date, Job Code, and Organization Code.	Payroll will provide guidance to EAs as to the appropriate use of account and earn codes based on the type of payment and work performed. Human Resources and Health Sciences administration will coordinate an effort with all applicable EAs to inform the EA of the recommendations from the audit, actions needed to support the PMIO Lean process review, and to reinforce NSP documentation and data entry standards. The EAs will be responsible for reviewing and updating NSP processing documentation and standard operating procedures to reflect data entry standards and appropriate account code and earn code usage. The data entry standards will be identified through the PMIO Lean process review. The data entry standards will be documented in the centralized process repository identified in recommendation 1. The EAs will be responsible for documenting and communicating data entry standards to their applicable departmental clients and leadership.	Phase 1: 12/31/2024 Phase 2: 6/30/2025	As of August 2025, Internal Audit is in the process of completing testwork to confirm all recommendations have been implemented.	Teresa Costantinidis, EVP Finance & Administration
12	<u>Non-Standard Payments (NSP)</u>	8/8/2024, 7, M	<u>Recommendation 6 - Training for NSP Processing and Review Procedures</u>	The Executive Vice President for Finance and Administration should develop and implement a training curriculum for the NSP process. The training should focus on key elements for initiating, reviewing, and approving NSPs before being disbursed. Training curriculum should provide guidance to area of employment reviewers on the use of available Banner reports for reviewing details of NSP activity, including Index, Organization Code, Suffix, etc. In addition, training should also provide information on types of NSPs, completing required documentation to initiate an NSP, and review and approval requirements.	The Executive Vice President for Finance and Administration agrees with the recommendation to improve NSP training for department users and approvers. The Human Resources' Employee and Organizational Development (EOD) department will review and update current training required of end users prior to submission of the ePAF originator and approver BAR roles. The updated training will include reinforcement of the processing standards applicable across employment areas, including documentation and approval standards, and reference to the centralized repository for EA processing guidelines.	6/30/2025	As of August 2025, Internal Audit is in the process of completing testwork to confirm all recommendations have been implemented.	Teresa Costantinidis, EVP Finance & Administration

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13	<u>Audit of the Dissolution of the ASMF</u>	5/20/2025, 2, M	<u>Recommendation 1A - Maintenance of Accounting Records</u>	The ASM Dean's Office should: 1. Enforce established document management processes to ensure that all ASM business activity and records that impact ASM are always obtained and maintained. Supporting documents should be readily available and support business transactions that have occurred. 2. Develop SOPs that address the absence of key employees and turnover for key business processes.	1. Under the supervision of the Academic Operations Officer, ASM is already in the process of creating a document management system and SOPs for redundancy of key ASM personnel and record keeping that impacts ASM and enforcing document management processes. We plan to complete this work by the target date indicated above. 2. ASM Dean's Office is also ready to support the Provost's Office as needed in order to facilitate the completion of the Provost's Office response to the audit recommendations.	6/30/2025	ASM Management has indicated Recommendation 1A has been implemented. Internal Audit is currently in the process of verifying implementation has occurred.	Alina Chircu, Dean: ASM Administration
14	<u>Audit of the Dissolution of the ASMF</u>	5/20/2025, 2, M	<u>Recommendation 1B - Verification of ASMF's Ending Balance for Transfer</u>	The Provost's Office should: 1. Review and complete an assessment of the current balances of the funds transferred during the ASMF dissolution, specifically related to the endowed scholarship and development funds. At the completion of the assessment, the Provost's Office can determine if s reallocation process is necessary for meeting ASM scholarship needs. 2. Utilize resources, including but not limited to engaging with an external CPA firm to conduct an external close-out audit for FY22, which was during the year of ASMF dissolution. The external audit should provide reasonable assurance that all financial activity during FY22 and during the dissolution of the ASM Foundation is accurate.	1. We reviewed the current balances, including endowed scholarship and development funds, to ensure alignment with ASM's scholarship needs and any donor intent that may have existed prior to the dissolution. Based on this review, we concluded that the allocation of \$640,359 to the Dean's Development Fund, representing 20% of the initial ASMF transfer, is appropriate given ASM's size and the scope of fundraising and development activities typical of a business school. 2. The Provost's Office fiscal team will conduct an internal close-out audit for FY22 and will provide documentation demonstrating reasonable assurance that financial activity during that fiscal year, including activity related to the dissolution of the ASM Foundation, is accurate.	7/31/2025	The Provost Office has indicated Recommendation 1B has been implemented. Internal Audit is currently in the process of verifying implementation has occurred.	Barbara Rodriguez, Interim Provost/Exec VP; Nicole Dopson, AVP for Academic Resources Mgt

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15	<u>Audit of the Dissolution of the ASMF</u>	5/20/2025, 2, M	<u>Recommendation 2 - Non-Compliance with Donor Intent</u>	<p>ASM should ensure gift/endowed spending (and all disbursements) are allowed, supported by appropriate documentation, and reviewed in accordance with donor agreement and UNM's policies, where applicable, for accuracy and compliance. The ASM Dean's Office should:</p> <p>1. Strengthen controls and processes related to understanding compliance related to donor intent for all endowments, 2. Establish processes to complete periodic reviews for endowed agreements, 3. Review all endowments for unallowable costs due to spending endowed funds not in compliance with donor intent, 4. Complete an internal review for remaining scholarships awarded, 5. Strengthen the scholarship distribution process.</p>	<p>Anderson leadership and UNMF development officers for ASM will work together to review all spending in UNMF spending indexes established for ASM (from endowed and spendable gifts) for FY24 through December 31, 2024. FY25. The review of the remaining indexes will be completed by the target date. ASM will correct known errors and reverse unallowed costs with correcting journal entries. ASM will ensure that our internal review for remaining scholarships awarded under the same scholarship requirements is complete, analyze these expenses to determine if they are charged to the correct fund, and reverse unallowed costs. ASM will complete an additional internal review of these updated processes and make necessary adjustments to ensure compliance for all scholarships yearly, analyzing expenses to confirm proper fund allocation, and strengthening the scholarship distribution process.</p>	12/31/2025	Management is in the process of addressing this recommendation. Corrective action related to this recommendation is not due until 12/31/2025.	Alina Chircu, Dean: ASM Administration

MEETING ADJOURNMENT