

THE UNIVERSITY OF NEW MEXICO
Board of Regents' Audit and Compliance Committee Meeting
February 24, 2020 – Meeting Minutes

Members Present: Douglas Brown, Chair, Marron Lee, Vice Chair (quorum). Absent: Robert Doughty.

Other Attendees: Garnett Stokes, Liz Metzger, Ava Lovell, Terry Babbitt, Francie Cordova, Rob Burford, Laura Putz, Dorothy Anderson, Loretta Martinez, Scot Sauder, Purvi Mody, Marjorie Goldstein, Steve McLaughlin, Amy Jameson, Jill Klar, Arthur Culpepper, Ari Vazquez, Mallory Reviere, Victor Griego, Chien-chih Yeh, Avedona Lucero, Amy O'Donnell.

Chairman Brown called the meeting to order at 1:33 PM in the Roberts Room, Scholes Hall, UNM.

ACTION ITEMS:

- The Committee approved the meeting agenda.
- The Committee approved the prior meeting minutes (with one minor edit of a duplicated name) from October 17, 2020.
- The Committee approved the next meeting date of May 7, 2020 (Entrance Conference for the FY20 Financial Statements Audit). Victor Griego, Interim Internal Audit Director informed the Committee that there will need to be a special meeting to approve the new external audit vendor prior to the May 7th meeting.

INFORMATION ITEMS:

- Advisors' comments: None.
- Mr. Griego presented his Director's Report. Proposed meetings after the May 7, 2020 date for the rest of the calendar year are August 6, 2020 and October 17, 2020. Chairman Brown stated neither of these dates will work for him, and asked Victor to check with Mallory in the Regent's office for new proposed dates. The October date also needs to work for scheduling of the external audit exit conference.

The contract for the external audit is currently out for bid, and bidding closes on Wednesday. The selection committee includes members from HSC, the Hospital, and Main Campus. Liz Metzger, University Controller is the chair of the selection committee. The selection should be completed by the end of March. This is due to the fact that the State Auditor's Office releases a list of firms sometime in March.

Mr. Griego presented an overview of the status of the 2020 audit work plan. The Department has completed four audits, and five are in planning and fieldwork. One has been assigned, and three are not yet assigned. The target is 15 audits for FY 2020.

Mr. Griego updated the Committee on the status of complaints as of February 14, 2020. The department has completed and closed 21, there are nine in planning and fieldwork, and four have not been assigned. The total number of complaints for FY 2020 is 34. Chairman Brown asked if the trend is going down. Mr. Griego responded that the department is working on that. This will be discussed in the presentation regarding the Quality Assessment Review. One of the corrective actions is to try to reduce the number of hours the department spends on complaints. The Department is developing strategies in that area. Chairman Brown stated

Dr. Culpepper at HSC has had some success in pushing complaints down through supervisory channels and maybe Main Campus could pick up on those practices. Mr. Griego responded that is one of the goals and the route the Department is going to use is to work with some of these departments to see if they can resolve complaints.

The Department's adjusted budget at the beginning of FY 2020 was approximately \$890,000. The only change from the last meeting is there was an adjustment of \$5,400 for the one percent salary increases. Budget funds are just under \$805,000 from I&G, \$5,400 for the salary adjustment, \$4,000 in reimbursements from UNMH for shared software services and memberships, and \$76,000 from use of reserves. As of January 31, 2020, actual expenditures are just over \$464,000, so we are right on target for halfway through the year, with perhaps a bit of cost savings. There is \$289,000 in encumbrances, primarily labor costs.

The independent Quality Assessment Review was completed in October of 2019 and the Department received the final report. Mr. Griego will detail the corrective actions to their recommendations in closed session.

The FY 2020 University-wide risk assessment is currently underway. They are about to launch the final survey. The risk assessment team consists of Mr. Griego, Dr. Culpepper, Chief HSC Compliance Officer, Purvi Mody, HSC Health Systems Executive Director for Internal Audit, Francie Cordova, Main Campus Chief Compliance Officer and Rob Burford, Compliance Director for the Main Campus Compliance Office. They are working with Institutional Analytics on the design, distribution, and data extraction. Each office will have their own methodology for compiling work plans based on data received. They plan to present it to this committee in August for feedback.

There are currently three external audits underway. UNM had a site visit from the Program Manager from the Defense Intelligence Agency. The Program Manager was looking at two grants totaling 3.8 million. He was able to close out one grant, and the other is waiting final closeout. There is also an audit from the National Science Foundation. They are looking at a program total of 7.2 million. They have requested internal control documentation and transaction detail on 43 sample transactions. UNM has provided the documentation and is awaiting next steps from the Foundation. There is one more audit from the Center for Medicaid Services. They have contracted with an independent firm. UNMH and SRMC have provided support for 174 medical records totaling 1.4 million in patient billing. \$88,000 was refunded based on 127 of those claims. An additional 47 claims are still pending review.

Three external grants have been completed and closed out for approximately 2.7 million with no pay backs or audit recommendations.

- The Main Campus Compliance Office provided a presentation to the Committee. Ms. Cordova and Mr. Burford started off with an overview of Ethics Point complaints. They have historical data, so they informed the Committee they can run the data however they would like. Mr. Burford informed the Committee that it is easier for the system to provide the data by calendar year, because the system is used by various types of businesses, not just universities. The presentation includes information from the last four years. The data trends up pretty evenly for amount of cases that have been entered. Information included in the presentation shows case closure time for all cases, including OEO cases. In 2016, the average

was 64 days, and in 2019, the average was at 66 days, so not much difference. The top issues in 2019 are heavily weighted in sexual misconduct because of the inclusion of the OEO data.

Using data that does not include OEO cases, bullying (falls under Human Resources' purview) is the primary complaint area, followed by misconduct and HR "Other." Other just means it does not fit into provided categories to the person entering the information. Regent Lee asked, "what is 'bullying?'" Is there a defined term? Mr. Burford replied it is a category in the system, so it is defined by the person who is entering the information. Bullying is defined in UNM's policy. Regent Lee asked if there are bullying complaints and retaliation complaints but the two do not meet. Ms. Cordova replied they could meet. A bullying complaint could be unsubstantiated, but there is resulting retaliation that is substantiated, or neither may be substantiated.

Regent Lee asked if there are trigger words for people entering into the Ethics Point system. Ms. Cordova replied the hotline actually assigns it to the subject matter expert area. Chairman Brown asked if this data is as reported, or is it adjusted as to substantiated. Mr. Burford replied it is as reported.

Data that includes OEO for anonymous versus identified reporters is lower for anonymous because it includes people who are considered mandatory reporters. Anonymous reporting is much higher in non-OEO cases. There are several different intake methods, including in-person (walk-ins), letter/email, on line hotline, and phone calls.

Mr. Burford stated they would like to start including outcomes in these presentations, but the OEO data is tracked in a different field in the analytics, so they are working on that. Ms. Cordova stated OEO has the vast number of cases that come in, either directly or through the hotline. She provided the Committee with some information on OEO intake numbers in 2019. Students make up the largest group of respondents. Staff and faculty are about evenly split. Ms. Cordova also relayed different categories of Title IX reporting, where the largest category was sexual harassment, followed by dating and intimate partner violence. Stalking reporting is increasing. Retaliation complaints are not as high as you would think, but perhaps people are afraid to report retaliation even after reporting the initial complaint. Regent Lee stated it would be interesting to see cadre. Ms. Cordova replied they have three-year data now that they have complete 2019 numbers.

Ms. Cordova provided the Committee with a handout of the Main Campus Compliance Office's blueprint (strategic plan) for next year and the ADA transition plan RFP. The ADA transition plan is in the "scope of the scope" stage. They were confused about what to approach first in terms of accessibility, so they reached out to an outside vendor for assistance. The first two items are: 1) the buildings and their path of travel; and 2) on line education, LEARN, and the website. These are things that impact students the most. There is a small pot of money dedicated to starting these RFPs. Ms. Cordova stated that they may have to start with only one of the two, depending on available funds. Chairman Brown asked if this is overdue. Ms. Cordova replied that it is. The previous plan literally burned up. People were working on their own accessibility issues after that happened. Going forward, everything will be maintained in one area and kept in cloud-based storage.

Regent Lee stated ADA access on campus has been long neglected. Sometimes the cheapest can come out being the most expensive. It needs to be top priority and it worries her to hear one or more items may go. Ms. Cordova said what the plans help them do is seek money from the state and federal government. We don't know what we have to ask for if we don't know what we have to ask for. The federal government wants a plan before you can ask. Regent Lee added the building inventory should help determine what building status is as well, because due to age or historical significance, some may not have to be compliant. Ms. Cordova stated that for new remodels, twenty percent is supposed to be dedicated to accessibility. ADA plan information will be put on their website to be accessed generally.

The Ethics Task Force has been diligently working. It is broken up into five subgroups: Conflict of Interest, Consensual Relationships, Campus Culture, Research and Academic Ethics, and Financial and Resource Misuse. The final report is due to President Stokes in May, 2020. The report will do a literature review and a policy review from all the various groups on those topics. It will include issue identification and best resolutions. Then there will be training as suggested by the groups.

Following the recent joint Regional Discussion on Sexual Assault and Sexual Harassment training, the US Navy has approached UNM regarding doing some research with our faculty to look at prevention strategies and data alignment. Data alignment is important because there are different "languages" between universities and military academies. The Navy considers UNM a model and UNM has been invited to make presentations at West Point.

Mr. Burford provided an update on the Institutional Compliance Committee. They recently added some IT compliance issues. The Committee has looked at the Ethics Point SOP to make sure that is good for everybody.

The Compliance Office has been looking into a system to house the Minors on Campus information. Athletics has a very good system, but they have run into some issues with that from users' perspectives because of the variety of users. Having it fall under one system would be easier but may not be the best answer. It looks like there may need to be a couple. Everyone will be required to use an IT system to track the different programs because it is very important to do that.

There has been a push underway to make everyone aware of UNM's policies. It is good to remind people.

There is some good news to report on the Clery statistics. There is another big drop in motor vehicle theft. This is thanks to UNMPD being more visible, the Regents for providing money for cameras, and to President Stokes for providing more police and resources. Mr. Burford received news that the Clery Center wants to use UNM as a model for the good work that we have done as part of their Clery Collaborative. Chairman Brown asked if there is a meaningful composite statistic that can be gleaned from the Clery Report to say where we are with respect to peer institutions. Mr. Burford responded they are waiting for 2018's numbers to appear in the database so they can see how they compare. As of a few weeks ago, they did not yet seem to be anywhere easily accessible. Regent Lee informed the Compliance Office that she appreciates UNM turning things into a positive through its leadership, collaboration, and ingenuity, all while "being broke."

- Dr. Culpepper, HSC Chief Compliance Officer, presented the Committee with an update on his area. There was a meeting convened in the early part of last fall regarding Minors on Campus. Included were people from various areas across the institution for discussion on minor programs. Participants generated a list of items that needed to be included in a database. The HSC has a lot of programs they offer to minors regarding future health careers, diversity programs, etc. Policy 2205 delineates what is expected of these Minors on Campus programs. As a result of that meeting, Dr. Culpepper stated they designed a database for the HSC.

On the landing page of their website, there is both an internal and external program registration space. Areas wishing to have a program have to go in and complete this document. HSC disseminated information for the new process and HSC Compliance is helping with registration and all the pieces that are required. Most of the programs have a sponsor, and that information needs to be entered as well. Some programs are annual, and HSC Compliance can go back and meet with the areas to see if there are any changes or if there were any issues. HSC will soon do another media push for the upcoming spring/summer timeframe, as that is when they have a lot of programs.

Chairman Brown asked if HSC is active in the compliance for sponsorship/chaperoning and monitoring to make sure the ratios are being maintained. Dr. Culpepper responded absolutely, and that they follow up after the submittal in to the database to make sure. Regent Lee said she brought this to the attention of then President Abdallah four or five years ago because there didn't seem to be any minors on campus programming. There was an unfortunate situation that involved a child of a friend of hers. What they have done in a short amount of time is amazing, and she wanted to say thank you for taking it as seriously as it needed to be taken.

As a result of feedback, HSC Compliance has decided to go back and reevaluate their compliance training. They designed new compliance training that includes more content in high risk areas, ethics, negativity, and code of conduct. They added real world examples. Feedback they received told them people were having difficulty applying the information to everyday operations. Additionally, it is currently being translated into Spanish because for some personnel, English is not their first language.

- Chien-chih Yeh, Internal Audit Manager updated the Committee with the status of audit recommendations. Two audits were approved at the last Committee meeting, so those recommendations were added to the follow-up report and there are a total of 30. In this reporting cycle, half are verified as implemented. The remaining 15 are still in the process of implementation. However, after this report was issued for this meeting, a few more recommendations received updates that need to be verified by audit staff. One recommendation is implemented but Internal Audit is leaving it open because the Department still wants to monitor it. Finally, there is an Athletics progress report. Much progress has been made; one more is implemented, only one recommendation remains open, and two are implemented but are still being monitored.

By unanimous consent, the meeting went into Executive Session at 2:21 per the agenda.

- 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 (Interim Director of Internal Audit Department) pursuant to exception at Section 10-15-1.H(2) NMSA (1978)
- c. Schedule of Audits in Process and Proposed FY20 Audit Work plan, pursuant to RPM 1.2
- d. Vote to re-open the meeting

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

The Committee unanimously approved the following UNMH reports:

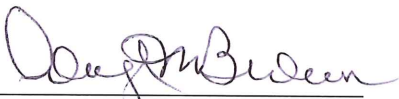
- 2019-06 Related Party Transactions
- 2019-05 UNMH Patient Account Credit Balances
- 2019-05 UNMMG Patient Account Credit Balances
- 2019-07 SRMC Patient Account Credit Balances

The Committee unanimously approved the following UNM reports:

- 2019-02 Audit of Emergency Medicine Operations
- 2019-05 Internal Audit Quality Assessment Review

The meeting adjourned at 2:59 PM.

Approved:



Audit and Compliance Committee Chairman