

THE UNIVERSITY OF NEW MEXICO  
Board of Regents' Audit and Compliance Committee Meeting  
October 18, 2017 – Meeting Minutes

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

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

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

**ACTION ITEMS:**

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

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

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

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

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

The Committee unanimously approved the following UNM Hospital audits:

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

The Committee unanimously approved the following UNM reports:

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

The Committee unanimously approved the following UNM Internal Audit memorandums:

- Alumni Association Courtyard Project
- Summary Memorandum of Form 990

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

#### INFORMATION ITEMS:

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

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

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

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



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

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

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

The meeting adjourned at 4:07 PM.

Approved:



Audit and Compliance Committee Chairman