CALL TO ORDER/ QUORUM

The University of New Mexico
Board of Regents' Audit and Compliance Committee
August 19, 2026
Student Union Building (SUB) Ballroom B
9:00 AM
Livestream: https://live.unm.edu/board-of-regents (Open Session Only)

Agenda

I. Call to Order and Confirmation of a Quorum

II. Adoption of Agenda

III. Approval of Meeting Minutes from May 19, 2026

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; 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, § 10-15-1(H)(2).

VI. Information Items

A. Director of Internal Audit Status Report
Victor Griego, Internal Audit Director

B. Main Campus Chief Compliance Officer Status Report
Francie Cordova, Chief Compliance Officer

C. Status of Audit Recommendations
Chien-Chih Yeh, Internal Audit Manager

VII. Adjournment

THE UNIVERSITY OF NEW MEXICO
Board of Regents' Audit and Compliance Committee Quarterly Meeting
May 19, 2026 – Meeting Minutes

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

Other Attendees: Garnett Stokes, Terry Babbitt, Teresa Costantinidis, Francie Cordova, Bonnie White, Duane Arruti, Andrew Jacobson, Ryan Berryman, Daniel Jones, Ariadna Vazquez, Scot Sauder, Susan Rhymer, Ajay Gupta (CLA), Katie Thornton (Plante Moran), Mike Baker (Plante Moran), Oliver Jurkovic (Plante Moran), Adam Stevenson (Plante Moran), Steven Bishop (Plante Moran), Brian Greko (Plante Moran), Emily Morelli, Victor Griego, Chien-chih Yeh, Connor Anderson, Jeremiah Sanchez, Michelle Verity, and other members of the University community.

Chair Fortner called the meeting to order at 9:04 AM. Regent Campos confirmed there was a quorum.
A roll call vote was conducted and by unanimous consent, the meeting went into Executive Session at 9:05 AM.
By unanimous consent, the meeting returned to Open Session at 9:20AM.

ACTION ITEMS:

- Certification that only those matters described in the agenda were discussed in Executive Session.
- The Committee approved the agenda.
- The Committee approved the minutes of the meeting of February 17, 2026.
- The Committee approved the motion to accept the reports presented in Executive Session and to return to Open Session. These reports included:
    - Athletics Administration Audit Report (2025-03)
    - UNMH CLA Audit Report, including the Biomedical Device audit

INFORMATION ITEMS:

Plante Moran – External Audit Presentation: At approximately 9:21 AM, Katie Thornton provided introductory remarks and an overview of the Fiscal Year 2026 external audit engagement. At approximately 9:24 AM, Ms. Thorton turned the presentation over to Mike Baker, who discussed audit logistics, including timing, coordination, and key phases of the audit process. During the presentation, Regent Fortner asked for clarification regarding whether the financial statements would be presented to the Board. Mr. Baker confirmed that the final financial statements are expected to be presented to the Board in October along with full result audit reports. The presentation continued with a review of audit scope, responsibilities, and a risk-based approach, including focus areas such as internal controls, fraud risk, accounting estimates, and regulatory compliance.

Internal Audit Director's Report – Victor Griego: Mr. Griego began his report at approximately 9:31 AM. He introduced Michelle Verity as the new Internal Audit Administrative Coordinator and reported that the department is actively recruiting auditor positions to reach full departmental staffing.

Mr. Griego provided an update on audit plan activity, noting that eleven (11) audits within the FY25 and FY26 audit plans have been completed or are currently in the process. He highlighted key audits in various stages, including completed audits (5), those in fieldwork and in planning phases (6).

Mr. Griego further reported on compliant activity for FY2026. A total of eighty-one (81) complaints have been received, with fifty-eight (58) closed, twenty-two (22) in progress, and one (1) unassigned. Of the completed cases, thirteen (13) were substantiated or partially substantiated.

Committee Discussion: At approximately 9:33 AM, Mr. Griego opened the floor for questions or discussion regarding the audit presentations and ongoing audit activities. No questions were raised by the committee.

External Quality Assessment (EQA): At approximately 9:34 AM, Mr. Griego provided an update on the External Quality Assessment. The assessment has been completed, and the final report is pending. Corrective action plans will be presented at a future meeting.

Risk Assessment Update: At approximately 9:35 AM, Mr. Griego discussed the University-wide risk assessment currently in progress The assessment will inform the development of the next three-year Internal Audit Plan.

Committee Discussion: At approximately 9:36 AM, Mr. Griego opened the floor for questions or discussion regarding the audit presentations and ongoing audit activities. No questions were raised by the committee.

Audit Recommendations Follow-Up – Chien-Chih Yeh: At approximately 9:36 AM, Mr. Yeh presented the status of audit recommendation follow-ups. Multiple recommendations remain in progress across several departments.

The meeting adjourned at 9:38 AM.

Approved:

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Audit and Compliance Committee Chair

ROLL CALL VOTE AND PROCEED IN EXECUTIVE SESSION

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);

Discussion of limited personnel matters as defined in and permitted by NMSA 1978, § 10-15-1(H)(2);

VOTE TO OPEN MEETING

CERTIFICATION

Internal Audit Director's Status Report
Audit and Compliance Committee Meeting
August 19, 2026

Internal Audit Operations and Staffing. The Internal Audit Department is in the process of hiring an Auditor position and a Student Intern.

Audit Plan Status. The FY26 audit project status with hours for the current audit plan is shown below. The status of the proposed audit plans is for the period of July 1, 2025, through June 30, 2026:

Completed/Report Writing	6
Planning/Fieldwork	5
Total	**11**

All eleven (11) audits from the FY25 and FY26 audit plan have been completed or are in process. Internal Audit will initiate audits from its completed FY26 risk assessment and three-year audit plan.

Fieldwork procedures are being completed for the Audit of Contracts and Grants, UNM Gallup Branch, and Department of Biology. Planning procedures are also in process for an audit of IT Disaster Recovery and College of Nursing.

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

Description	Status	FY26 Budgeted Hours	FY26 Actual Hours	Variance
Audit Plan				
FY2025 Audit Work Plan				
Travel (International)	Completed - Follow up	140	116	24
Office of Community Health	Completed - Follow up	0	147	(147)
Education Abroad Programs	Completed	110	50	60
Athletics Administration	Completed - Follow up	785	841	(56)
IT - Disaster Recovery	Planning	400	41	359
UNM Gallup	Fieldwork	500	482	18
College of Nursing	Planning	500	154	346
FY2026 Audit Work Plan				
President's Travel and Entertainment FY25	Completed - Follow up	415	411	4
Contracts and Grants	Fieldwork	800	565	235
FY26 Risk Assessment	Completed	100	50	50
Biology	Fieldwork	500	431	69
Audit Plan Subtotal		4,250	3,288	962
Misconduct and Fraud		1,610	2,543	(933)
Audit Recommendations Follow-up		400	386	14
Management Requests and Quality Assessments		325	195	130
Non Audit Plan Subtotal		2,335	3,124	(789)
Total Project Hours		6,585	6,412	173

Internal Audit Director's Status Report
Audit and Compliance Committee Meeting
August 19, 2026

Complaint Status. The current status of complaints assigned to Internal Audit for FY2026 and FY27, as of August 15, 2026, is:

	FY26	FY27
Completed/Closed	62	2
Planning/Fieldwork		23
Unassigned		4
Total	**62**	**29**

FY2026 - Of the sixty-two (62) completed/closed cases, fifteen (15) complaints were substantiated or partially substantiated.

FY2027 - Of the two (2) completed/closed cases, zero (0) complaints were substantiated or partially substantiated.

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 External Quality Assessment (EQA)
Internal Audit had its External Quality Assessment (EQA) completed and was provided in the executive session packet. Internal Audit will be initiating corrective action to address EQA recommendations to ensure conformance with new Global Internal Auditing standards.

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 #6 is the summary information as of June 30, 2026 regarding the external audits/reviews (third party financial audits) of various grants, contracts, and programs by various grantor agencies. There are currently seven (7) audits/reviews to report for this reporting period.

The New Mexico Economic Department completed two (2) audits totaling $1.1 million in grants awarded to the UNM Los Alamos and UNM Taos branches. No audit findings we noted as a result of the audits.

The following are audits that are in process:

Agency	Amount	Department
FEMA	$304,929	Earth Data Analysis Center
Family Health Centers	160,618	Project Echo
Univ. of North Carolina	17,142	Internal Medicine
Sandia National Labs	Various	Various
New York University	599,620	Internal Medicine

Budget to Actual Report
July 1, 2025 through June 30, 2026

Description	Status	FY 26 Budgeted Hours	FY 26 Actual Hours	Variance
Audit Plan				
FY 2025 Audit Work Plan				
Travel (International)	Completed - Follow up	140	116	24
Office of Community Health	Completed - Follow up	0	147	(147)
Education Abroad Programs	Completed	110	50	60
Athletics Administration	Completed - Follow up	785	841	(56)
IT - Disaster Recovery	Planning	400	41	359
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Non Audit Plan Subtotal		2,335	3,124	(789)
Total Project Hours		6,585	6,412	173
Leave and Administrative				
Holiday		930	936	(6)
Annual		1,302	1,155	147
Sick		744	589	155
CPE/Training		1,350	1,692	(342)
Administrative Time/Management		3,659	3,119	540
Administrative Staff Time		500	328	172
Audit and Compliance Committee, Meetings		650	651	(1)
IT Support/TeamMate		400	288	112
Total Leave and Administrative Hours		9,535	8,758	777
FY26 Total Hours		**16,120**	**15,170**	**950**

	Completed	Completed	In Process	In Process	In Process	In Process	In Process
Granting Agency/Entity	**NM Economic Dept**	**NM Economic Dept**	**FEMA**	**Family Health Centers of San Diego (FHCSD)**	**University of North Carolina - Chapel Hill**	**Sandia National Labs**	**New York University - Grossman School of Medicine**
Contract/Grant/Program Title	5R180	7R221	3 different grants -- 2RWZ2, 2RYW2, 2RYV9	3WD80 - HSC	3PK70	All SNL awards	2 different grants -- 3RLT5 & 3LT51
Contract/Grant Period	07/15/2023 - 08/31/2025	07/15/2023 - 08/31/2025	2RWZ2 - 9/1/23-9/30/27 2RYW2 - 9/18/24-9/17/26 2RYV9 - 9/18/24-9/17/28	FY 2025 and 2026	03/01/2026-03/31/2026	FY24-FY25	03/01/2022-02//28/2023
Contract/Grant Total Amount	$481,140	$613,140.00	2RWZ2 - $198,228 2RYW2 - $50,000 2RYV9 - $53,928	$160,618.00	$17,142	Various	$599,619.74
Department			Earth Data Analysis Center	Project ECHO	Internal Medicine	Various	Internal Medicine
Agency Audit/Review Notification Date	11/12/2025	10/27/2025	6/24/2026	7/9/2026	7/14/2026	3/9/2026	3/2/2026
Audit/Review Entrance/Visit Date(s)	11/24/2025	11/3/2025	Scheduled for 8/24/2026	TBD	TBD	TBD	3/2/2026
Audit/Exit/Final Report Issued	4/13/2026	4/13/2026	None - In Progress	None - In Progress	None - In Progress	None - In Progress	None - In Progress
Questioned Cost, if any	None	None	None - In Progress	None - In Progress	None - In Progress	None - In Progress	None - In Progress
Audit/Review Major Finding, if any	None	None	None - In Progress	None - In Progress	None - In Progress	None - In Progress	None - In Progress
Corrective Action Plan, if any			None - In Progress	None - In Progress	None - In Progress	None - In Progress	None - In Progress
Planned Implementation Date			None - In Progress	None - In Progress	None - In Progress	None - In Progress	None - In Progress
Campus	Los Alamos	Taos	Main	HSC	HSC	Various Campuses	HSC
Comments	Final report indicates no findings and no questioned costs	Final report indicates no findings and no questioned costs				Awards cover multiple depts. & campuses	

Note: Third Party audit information provided by UNM Contracts and Grants/HSC Contracts & Grants

THE UNIVERSITY OF NEW MEXICO®

REGENT'S AUDIT AND COMPLIANCE COMMITTEE

CEEO FISCAL YEAR 2026-2027 REPORT

Presentation Overview

CEEO FY26-27 Work plan

EthicsPoint Data Report

FY26-27 Work Plan

OFFICE OF
COMPLIANCE, ETHICS
& EQUAL OPPORTUNITY

What have we worked on so far in 2026?

EXPANDED STAFF

- Hiring term pregnancy accommodation specialist.

MINORS ON CAMPUS IMPROVEMENTS

- Policy
- Electronic Platform - UNM Youth Camps & Programs

UPDATED UAPS

- 2720* - Equal Opportunity 7/13/26
- 2740* - Sex Harassment and Discrimination 7/13/26
- 2745* - Clery 7/13/26

NEW UAPS

- 2715* – Digital Accessibility 6/5/2026

*adopted

UPCOMING UAPS

- New Conflict of Interest/Commitment Policy out for constituent review August/September 2026

FY26-27 Plans



Align internal procedure documents with new UAP 2720, 2740, 2745 and conduct campus training.



Operationalize new digital accessibility policy via digital accessibility committee

Test select websites and platforms



Conflict of Interest/ Commitment policy to public comment – *Fall 2026*



Complete workflow, training, electronic platform for COI disclosure

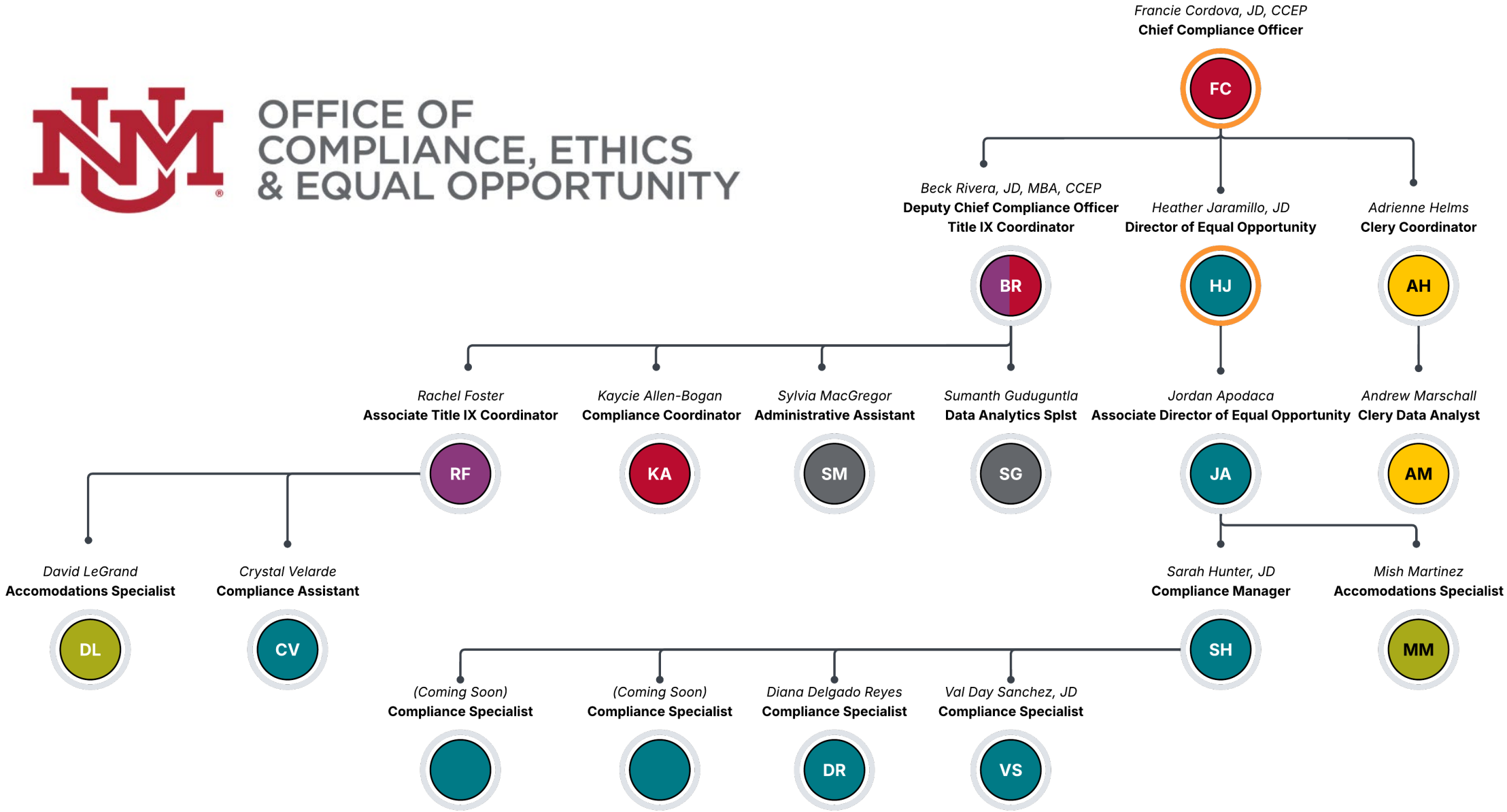


Risk Assessments in conjunction with HSC/Health Compliance and Internal Audit.



EYES ON THE FEDS – HB9211 **(Will require a Title VI Coordinator), more coming on Title IX, Clery.**

OFFICE OF COMPLIANCE, ETHICS & EQUAL OPPORTUNITY

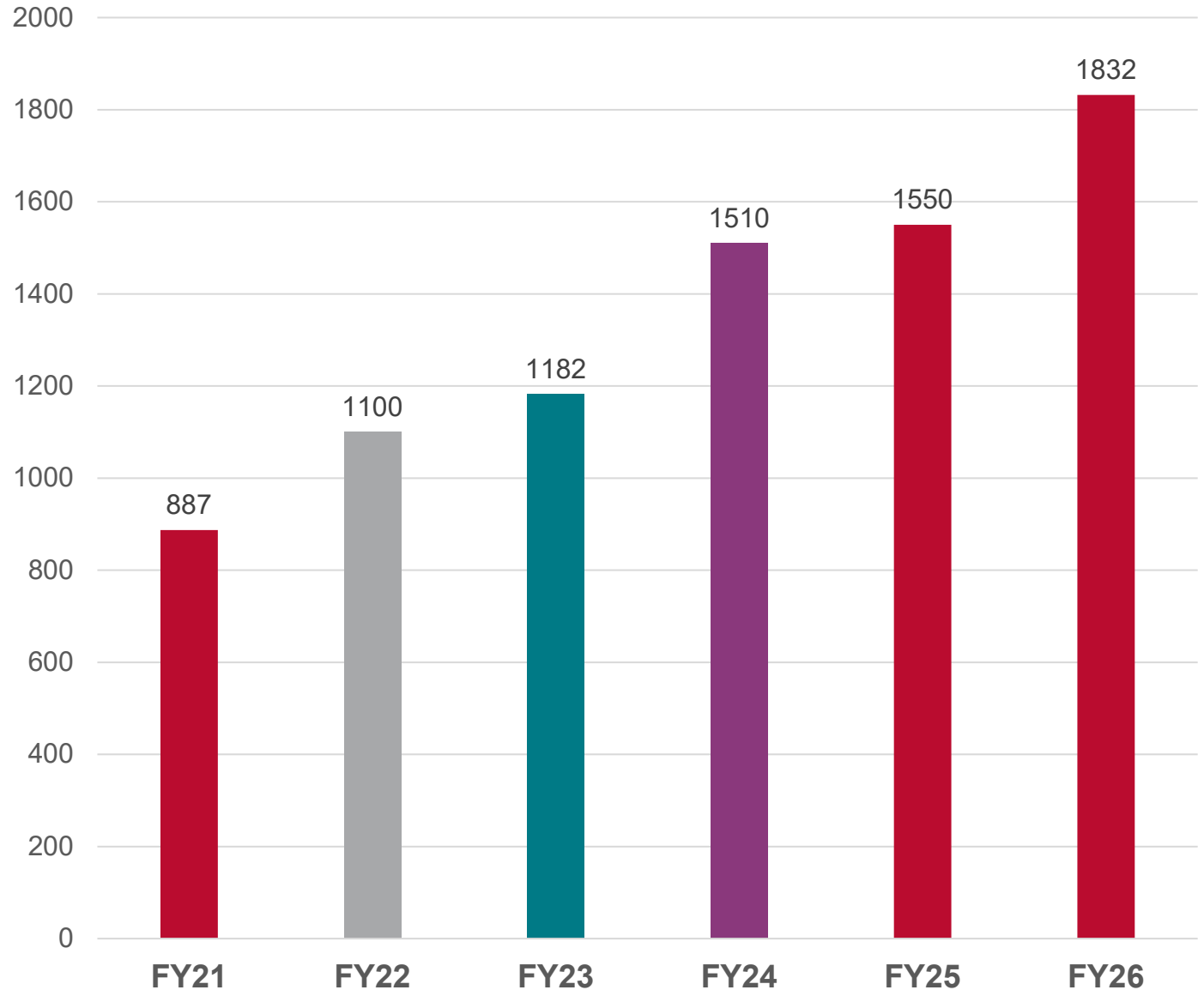


OFFICE OF
COMPLIANCE, ETHICS
& EQUAL OPPORTUNITY

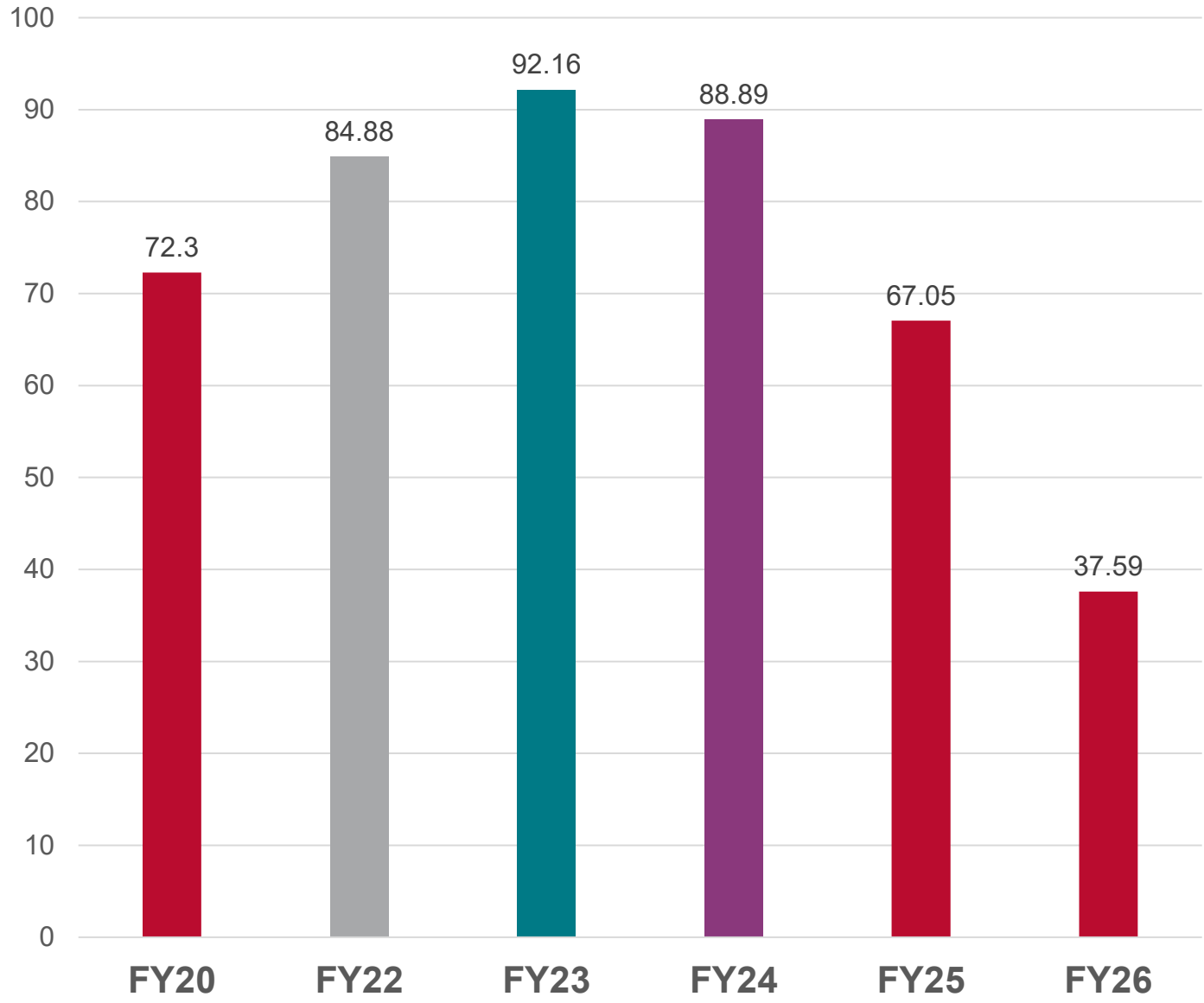
UNM Hotline Trends for Fiscal Year 26

July 1 2025 - June 2026

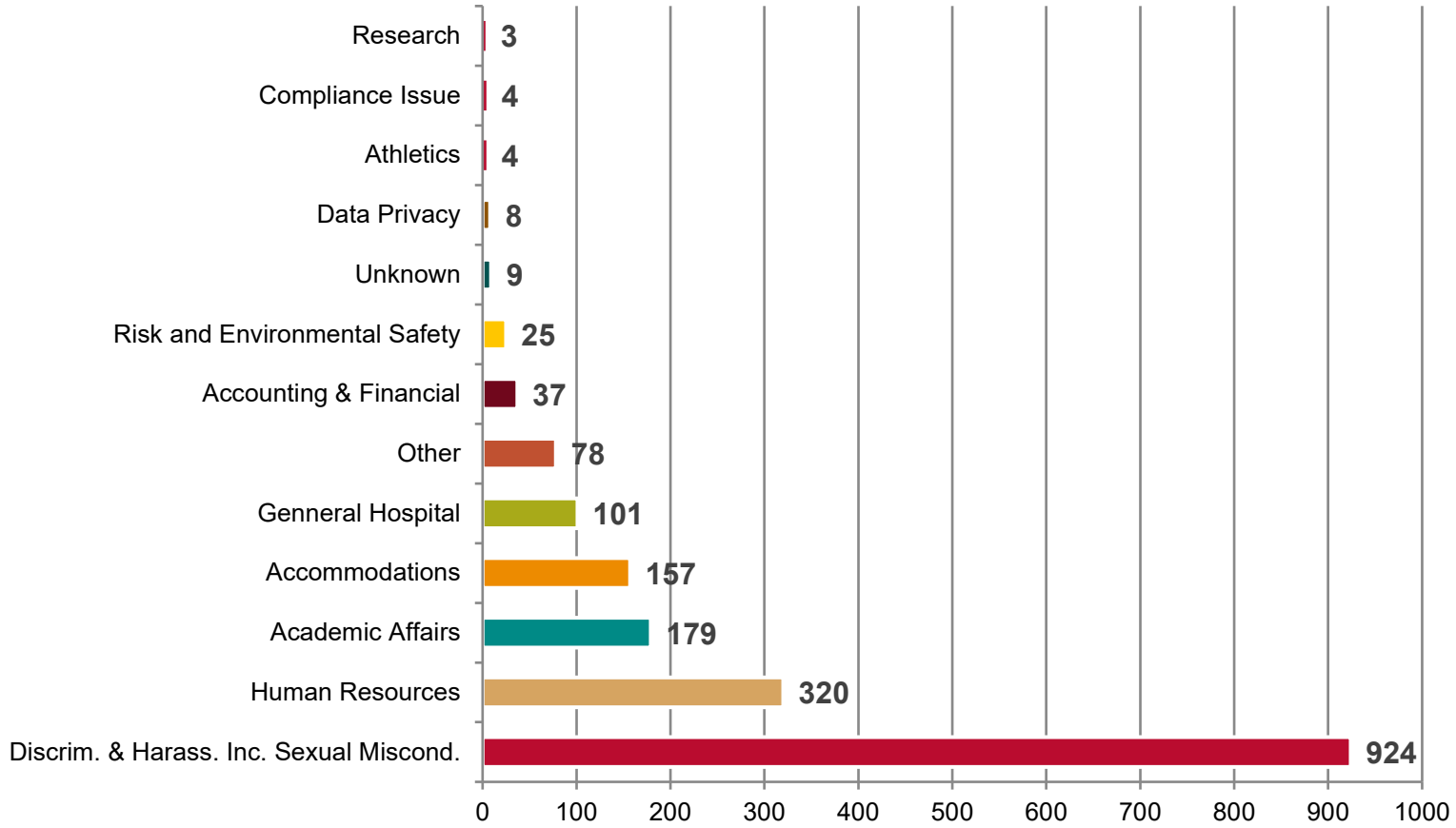
Total Number of EthicsPoint Reports



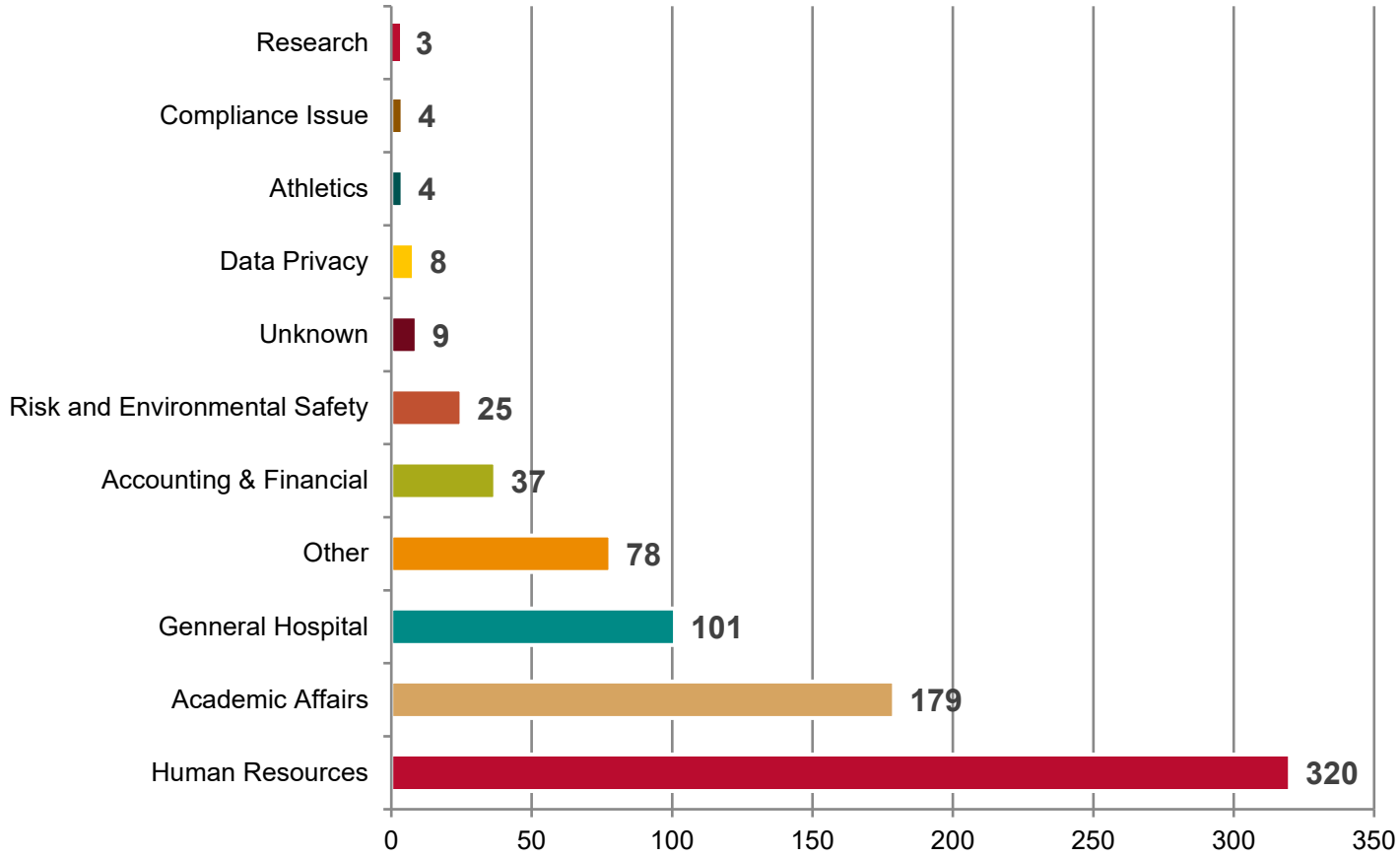
Average Days Cases Are Open (Including CEEO Cases)



Top 10 Issue Types for FY26 (incl. CEEO)



Top 10 Issue Types for FY26 (Excl. CEEO)



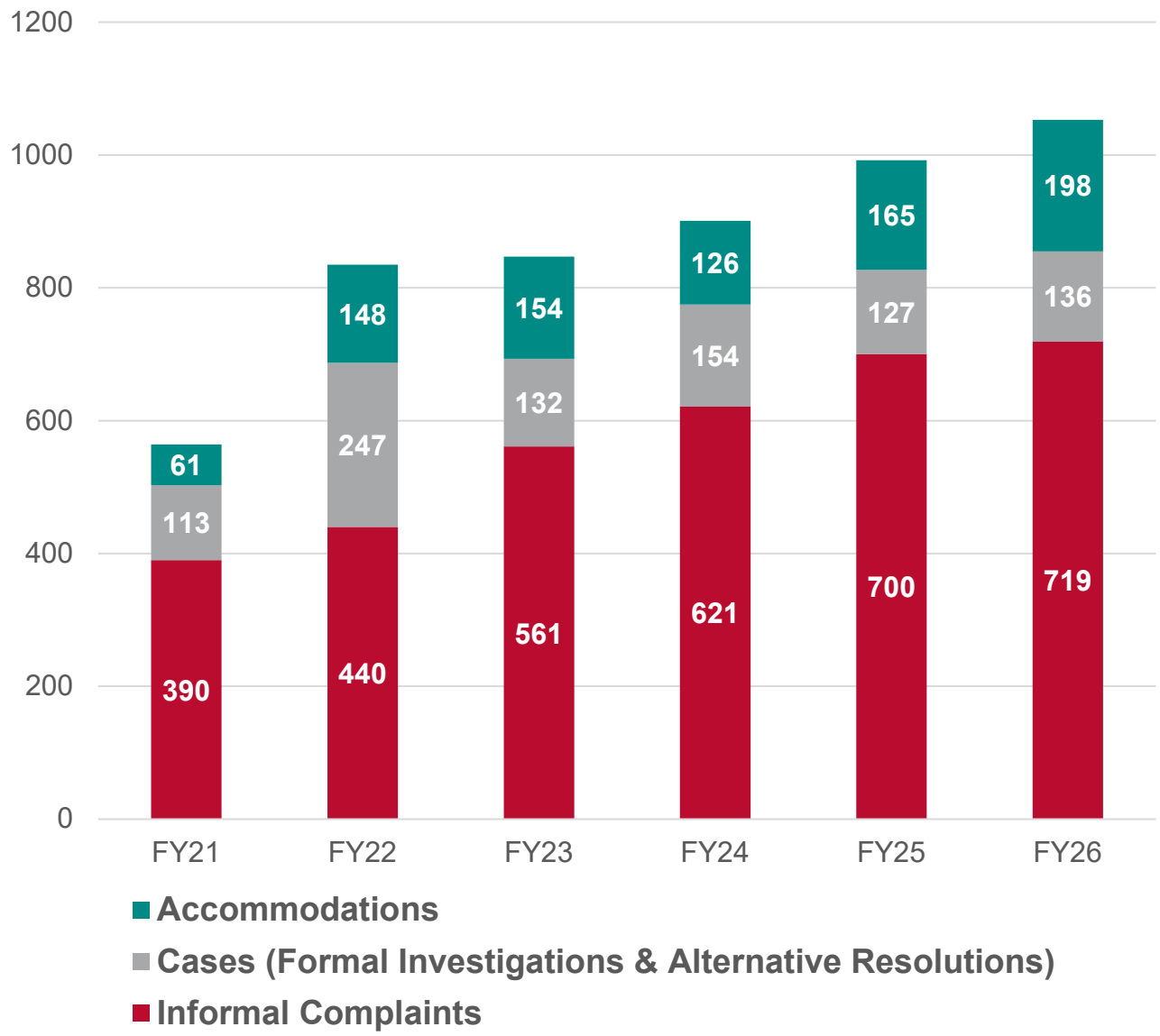
Anonymous Reporting Percentages Over Past 6 Years (Including CEEO)

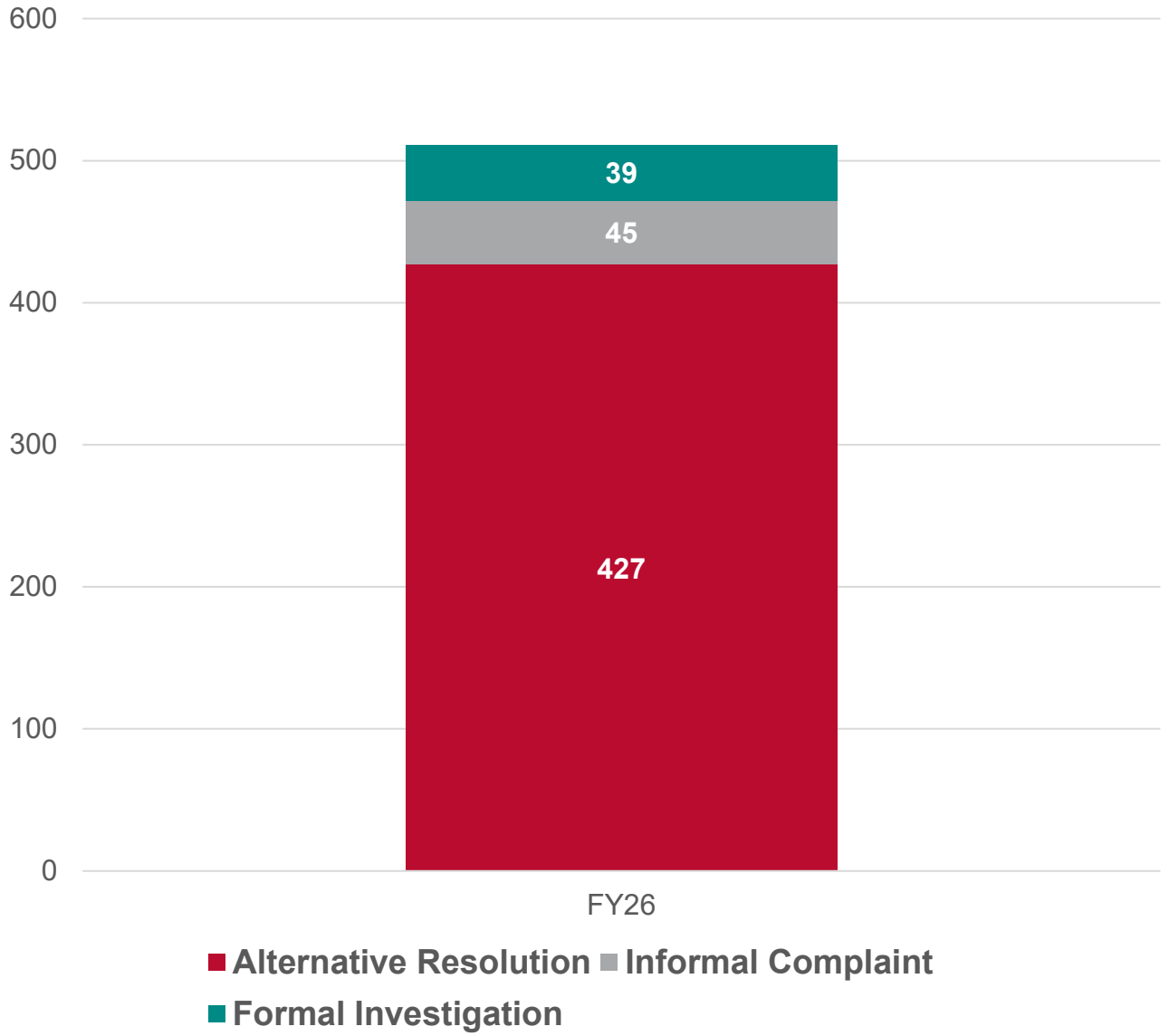
Fiscal Year	Percentage of Anonymous Reporters
2021	20.5%
2022	15.64%
2023	17.26%
2024	22.72%
2025	21.55%
2026	19.6%

Anonymous Reporting Percentages Over Past 6 Years (Excluding CEEO)

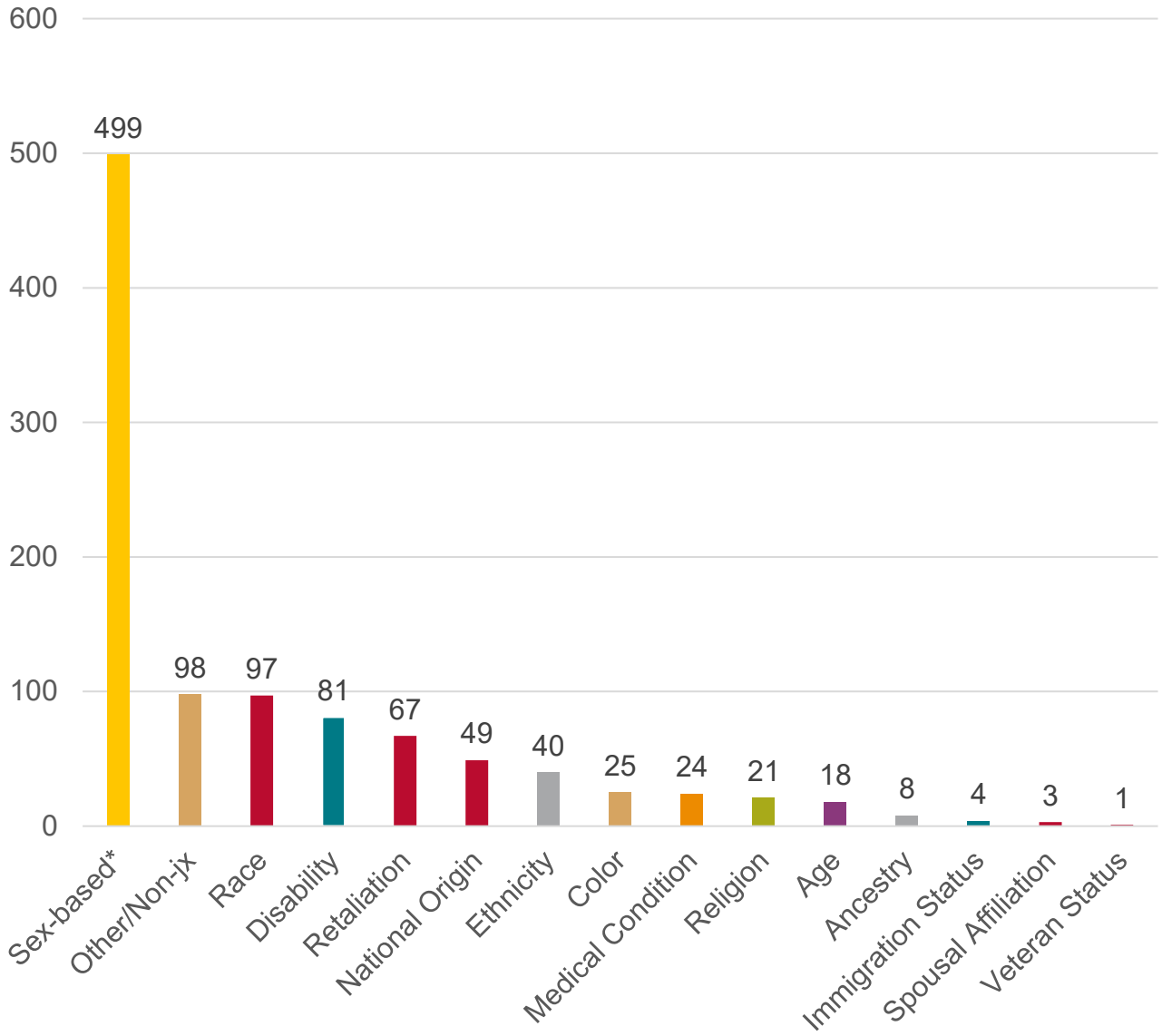
Fiscal Year	Percentage of Anonymous Reporters
2021	55.07%
2022	52.58%
2023	48.51%
2024	38.51%
2025	36.1%
2026	38.13%

CEEO Report Breakdown Year Over Year



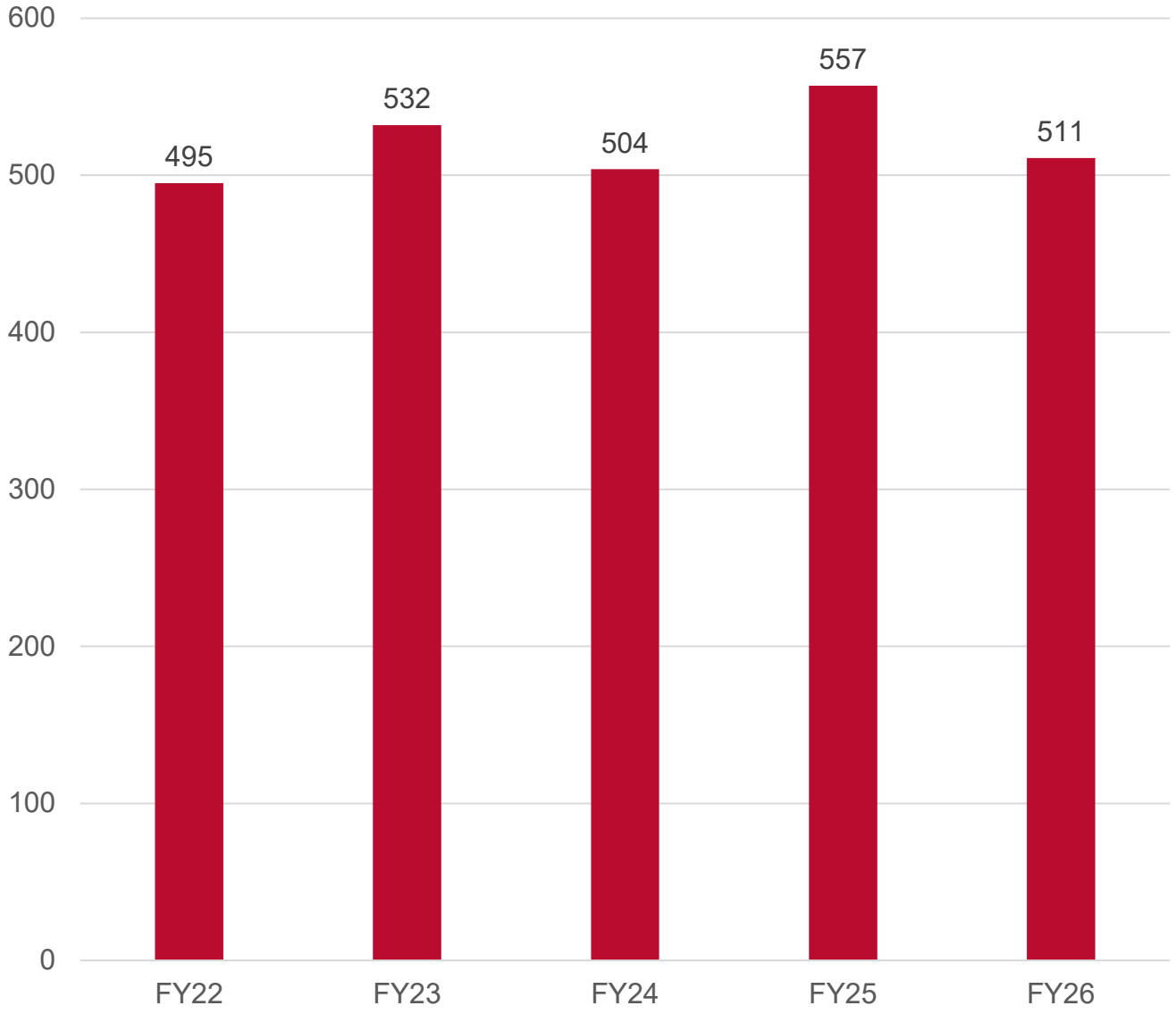


Title IX Report Breakdown for FY26



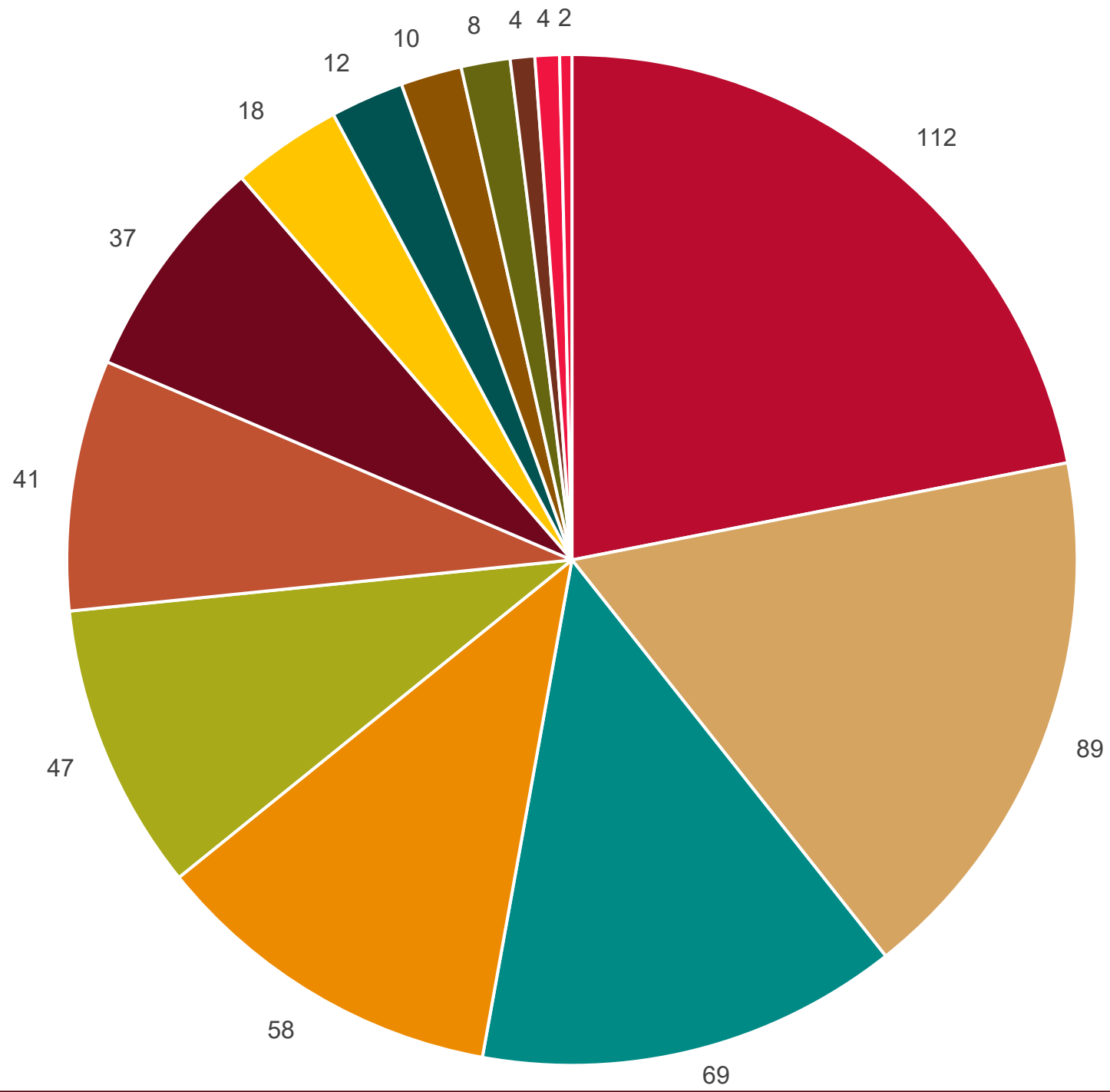
CEEO Complaints by Allegation Type for FY26

*SEX-BASED ALLEGATIONS ARE COVERED IN MORE DETAILS ON THE TITLE IX ALLEGATION BREAKDOWN SLIDE.

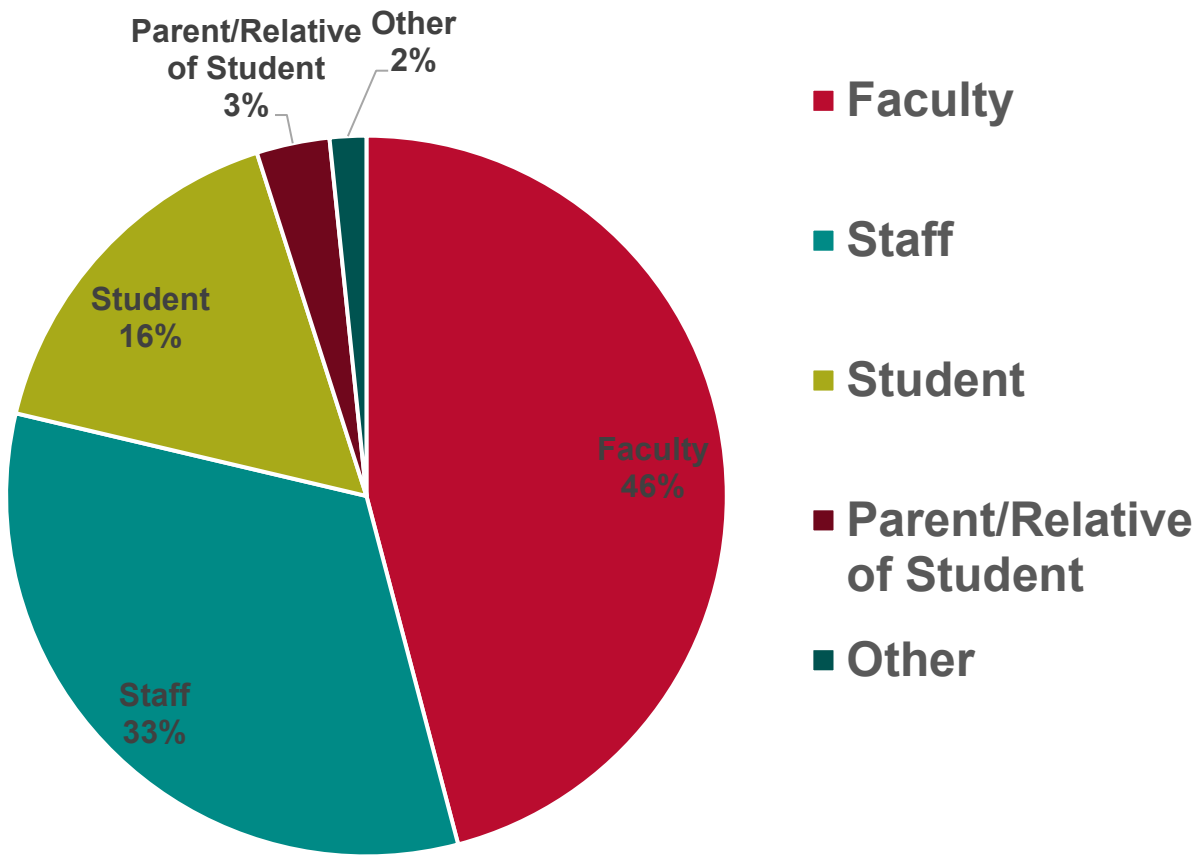


Title IX Allegations – Year Over Year

Title IX Allegations for FY 26



- Sexual Harassment
- Stalking
- Sexual Assault
- Domestic Violence
- Dating Violence
- Sex/Gender
- Sexual Exploitation
- Retaliation
- Sexual Orientation
- Pregnancy
- Gender Identity
- Other/Not jurisdictional under CEEO process
- Quid Pro Quo
- Failure to Accommodate



CEEO Respondent Affiliation (formal investigations opened in FY26)

Follow Up Report - Implemented
Aug 19, 2026 Open Session

No	Project Name	Report Approval Date, # of Recommenda-tions, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Estimated Implementation Date	Recommendation Action	Responsible Party
1	Project ECHO	8/3/2023, 8, M	Recommendation 2 - Timely Perform Effort Certification	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	Project ECHO management indicated that they have used the new certification system to complete their fund effort certifications from July to December 2025. IA verified the information provided by management. The recommendation is deemed implemented.	Karla Thornton, Clinician Ed - Professor: IM Infectious Disease; Lynn Waln,Chief Adm Ofcr/Project ECHO
2	Office of the Medical Investigator (OMI)	5/2/2024, 9, M	Recommendation 4 - Adequate Employee Supervision AND Field Deputy Medical Investigators (FDMI) Job Description	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 reports it has implemented the recommendation. Internal Audit has verified the implementation and considered the recommendation implemented.	Heather Jarrell, CME, OMI
3	Office of the Medical Investigator (OMI)	5/2/2024, 9, M	Recommendation 7 - Monitoring Contractor Performance	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 indicates that a formal vendor monitoring program has been implemented as of July 16, 2026, and includes standardized agreements with each vendor; an onboarding program that outlines minimum service expectations and operating procedures for selected transportation vendors; regular review of billing invoices submitted, and regular quality review and inspection of the vendors selected. The recommendation appears to have been implemented.	Heather Jarrell, CME, OMI

Follow Up Report - Implemented
Aug 19, 2026 Open Session

No	Project Name	Report Approval Date, # of Recommenda-tions, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Estimated Implementation Date	Recommendation Action	Responsible Party
4	Non-Standard Payments (NSP)	8/8/2024, 7, M	Recommendation 2 - System for Non-Standard Payment Process	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. 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	Management completed corrective action through the use of the Vital Errors tool to identify and monitor critical NSP processing errors, and by developing and approving formal SOPs to strengthen the processing, documentation, review, and monitoring of NSPs.	Teresa Costantinidis, EVP Finance & Administration
5	Community Health Worker Initiatives	8/19/2025, 7, M	Recommendation 1 - Department Oversight, Financial Management, and Policy Enforcement	The Office of the Vice President of Finance and Administration for Health and Health Sciences should: Review the organizational structure for the CHWI program and determine if current management and oversight provide adequate financial management, accountability, and operational effectiveness for the department. Work with Human Resources to determine appropriate disciplinary action for the CHWI Program Operations Director's misuse of grant funds, overriding of internal controls, and lack of enforcing and adhering to UNM policies and procedures.	The Office of the Vice President of Finance and Administration for Health and Health Sciences agrees to initiate a review of the CHWI program's organizational structure to assess whether current oversight ensures adequate financial management, accountability, and operational effectiveness. In coordination with HR, the Office of the Vice President of Finance and Administration for Health and Health Sciences will evaluate the Program Operations Director's actions regarding misuse of grant funds and internal control violations, and determine appropriate disciplinary measures per UNM policy. A policy review will be conducted with CHWI employees for the following: UAP 2000: Responsibility and Accountability for University Information and Transactions, UAP 4000: Allowable and Unallowable Expenditures, UAP 2410: Accounting for Federal Defined Allowable and Unallowable Costs	11/30/2025	IA reviewed documentation related to CHWI's training and employee certifications. IA also conducted observations and discussions with management about changes in the organizational structure and determined that CHWI has successfully implemented corrective actions surrounding adequate oversight, financial management, and policy enforcement.	Jason Galloway, Chief Financial Services Ofcr

Follow Up Report - Implemented
Aug 19, 2026 Open Session

No	Project Name	Report Approval Date, # of Recommenda-tions, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Estimated Implementation Date	Recommendation Action	Responsible Party
6	Community Health Worker Initiatives	8/19/2025, 7, M	Recommendation 6 - Management of Participant Incentives	The Vice President of Finance and Administration for Health and Health Sciences should: Designate a gift card custodian (someone who is not involved in purchasing or approving gift card purchases) to maintain a gift card log that keeps track of gift card distributions. Work with the HSC Contract and Grant Accounting Office to determine appropriate action for unallowable costs charged to the Health Literacy grant and EITC grant for gift cards and Bookstore purchases.	The Vice President of Finance and Administration for Health and Health Sciences acknowledges the need to strengthen controls surrounding gift card distribution and address the identified unallowable costs charged to the Health Literacy and EITC grants. The Office of the Vice President of Finance and Administration for Health and Health Sciences will work with CHWI to create, document and implement a revised SOP for gift card management protocol that includes the designation of a custodian independent of purchasing and approval functions. This role will be responsible for maintaining a detailed distribution log that captures all required recipient and transaction information, ensuring traceability and audit readiness. For electronic gift cards, appropriate digital documentation will be collected to verify receipt. The Office of the Vice President of Finance and Administration for Health and Health Sciences will collaborate with the HSC Contract and Grant Accounting Office to review the unallowable charges and determine appropriate corrective actions. This may include reclassification of expenses, reimbursement, or other measures consistent with UNM policy and federal grant requirements.	11/30/2025	Internal Audit reviewed documentation including the Merchant Card SOP, tracking log, receipt form, and certificates for its management training program and determined that HSC management has successfully implemented the corrective action plan for participant incentives. IA also verified that HSC management has addressed unallowable costs charged to the health literacy and EITC grants for gift cards and bookstore purchases. Processes have been implemented to refund the unallowable costs.	Jason Galloway, Chief Financial Services Ofcr

Follow Up Report - Implemented
Aug 19, 2026 Open Session

No	Project Name	Report Approval Date, # of Recommenda-tions, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Estimated Implementation Date	Recommendation Action	Responsible Party
7	Community Health Worker Initiatives	8/19/2025, 7, M	Recommendation 7 - Lack of Parking Permit Logs	The Vice President of Community Health should ensure CHWI: Develop a Standard Operating Procedure for the maintenance of guest parking permit and ensure that the parking permit logs are reconciled to existing parking permits promptly.	The Vice President of Finance and Administration for Health and Health Sciences recognizes the importance of improving oversight and documentation related to guest parking permits within CHWI operations. To enhance accountability and ensure proper tracking, the Office of the Vice President of Finance and Administration for Health and Health Sciences will work with CHWI to implement a formal procedure for managing guest parking permits. This will include a structured logging system that captures essential details of each permit's use and establishes clear responsibilities for issuing, recording, and reconciling permits. The process will be designed to minimize risk of misuse and ensure that all permits are accounted for in a timely and verifiable manner. The Office of the Vice President of Finance and Administration for Health and Health Sciences will also work with CHWI to develop reconciliation practices to ensure that permit logs are regularly reviewed against the inventory of active permits. This will support operational transparency and readiness for internal or external review.	11/30/2025	Internal Audit verified Guest Parking Permit SOPs and the development of a parking permit log has been implemented for CHWI. IA determines corrective action for guest parking permits has been implemented.	Jason Galloway, Chief Financial Services Ofcr
8	Audit of President's Travel, Entertainment & Other Expenses	2/17/2026, 2, M	Recommendation 2 - Unreported Taxable Fringe Benefits	The Controller's Office should work with the Payroll and Unrestricted Accounting offices to strengthen internal controls to ensure taxable spousal benefits are properly accounted for and included in the President's gross income.	Financial Services has reviewed and agrees with the recommendation to work with the Payroll and Unrestricted Accounting offices to strengthen internal controls governing taxation of the President's spousal benefits. We agree to review the current process and ensure that taxable events are identified and taxed in a timely and appropriate manner in accordance with Regent's Policy Manual §3.9 Benefits of the University President, Spousal Benefits.	6/30/2026	Management has communicated through a memo that they have revised and documented their new standards and procedures and adjusted the code that caused the unreported taxable event. IA reviewed their response and has determined that this response is reasonable and that the recommendation has been implemented.	Andrew Jacobson, University Controller

Follow Up Report - Pending
Aug 19, 2026 Open Session

No	Project Name	Report Approval Date, # of Recommenda-tions, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Estimated Implementation Date	Last Status Update	Responsible Party
1	Office of the Medical Investigator (OMI)	5/2/2024, 9, M	Recommendation 3 - Non-Exempt Time Keeping and Reporting	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.	7/1/2026	OMI Management has proposed an alternative resolution to this recommendation. Internal Audit is in the process of evaluating this alternative and will provide an update at the next regularly scheduled meeting.	Rebecca Napier, VP,Fin & Admin,Hlth & Hlth Sci
2	University-Wide International Travel	8/19/2025, 2, M	Recommendation 1 - Strengthening Internal Controls on International Travel	The University Controller could strengthen internal controls over international travel by working with the appropriate offices to review, revise, and develop additional training materials and/or communications to educate relevant faculty and staff on the need to obtain the appropriate pre-approval of all University-related travel. Additionally, ensuring warnings regarding the need to have domestic or international travel pre-approved by a person with authority over the traveler are configured in current and future University-used ERP systems or interfaces, referencing appropriate UAPs as statutory guidance as well as ensuring all required pre-approvals have been appropriately uploaded and are available for review.	Pre-approval of travel is a process that occurs at the department level in advance of a trip, and not an officially required process for core accounting office review under UNM Travel Policy. Travel Policy is clear with respect to pre-approvals of foreign travel in that written pre-approval is only required on certain Contract & Grant/restricted awards, not on foreign travel paid with unrestricted funds. Of the 67 sample items tested, Internal Audit found 2 instances of foreign travel where written pre-approval was not attached to the reimbursement report. In both cases, however, written pre-approval was not required under policy since the travel was not charged to Contract & Grant/restricted awards. In both cases, pre-approval was handled at the department level, just not attached to the reimbursement report – in full compliance with UNM Travel Policy. In addition, Internal Audit found no instances where international travel had actually occurred without the department's pre-approval, just two instances where written approval was not attached to a reimbursement report because there was no requirement to do so. We will evaluate existing UAP 4030 Travel policy, training materials and resources for any unclear or conflicting language available and possible improvements to the policy or process to provide evidence that pre-approval occurred.	10/1/2026	Corrective Action not yet due.	Andrew Jacobson, University Controller

Follow Up Report - Pending
Aug 19, 2026 Open Session

No	Project Name	Report Approval Date, # of Recommenda-tions, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Estimated Implementation Date	Last Status Update	Responsible Party
3	University-Wide International Travel	8/19/2025, 2, M	Recommendation 2 - Development of International Travel Registry	The University Controller should work with the UNM Travel Group and other relevant campus stakeholders (such as the UNM Provost and/or Executive Vice President, Health Sciences) on the development of an international travel registry which provides executive leadership with actionable data pertaining to the travelers in keeping with policy 4030 and duty of care considerations.	We propose to revise travel policy 4030 to proscribe [ed: create] a method by which travelers will be required to register their pre-approved international travel. We will form a working group to evaluate viable methods to gather and warehouse this data for rapid access to executive leadership as needed.	10/1/2026	Corrective Action not yet due.	Andrew Jacobson, University Controller
4	Community Health Worker Initiatives	8/19/2025, 7, M	Recommendation 2 - Unallowable Costs/Misappropriation of Grant Funds	The Vice President of Finance and Administration for Health and Health Sciences should: Work with the HSC Contract and Grant Accounting Office to determine appropriate action for unallowable costs spent by CHWI using Health Literacy and EITC grant funds. Strengthen internal controls for CHWI grant management by improving the approval process to segregate duties among the grant's authorities. Develop formal departmental operating procedures to standardize the grant process, from initiating the grant agreement to its finalization. Ensure all CHWI personnel involved in grant administration have taken the grant management training provided by Learning Central	The Vice President of Finance and Administration for Health and Health Sciences agrees with IA findings and will take the following actions: Work with the HSC Contract and Grant Accounting Office to determine appropriate action for unallowable costs charged to Health Literacy and EITC grant funds. Review internal controls for CHWI grant management and consider training and revision to CHWI's approval process to ensure segregation of duties among the Program Operations Director, Principal Investigators, Program Managers, and accounting personnel. Develop formal departmental operating procedures to standardize the grant process from initiation through finalization, ensuring consistency and compliance. Ensure that all CHWI personnel involved in grant administration complete the grant management training provided through Learning Central to reinforce policy adherence and best practices.	11/30/2025	CHWI is in the process of refunding unallowable costs related to the Health Literacy and EITC programs. In addition, IA verified all personnel have completed grant management training. However, finalized Standard Operating Procedures (SOPs) for CHWI's grant management process is still pending.	Jason Galloway, Chief Financial Services Ofcr

Follow Up Report - Pending
Aug 19, 2026 Open Session

No	Project Name	Report Approval Date, # of Recommenda-tions, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Estimated Implementation Date	Last Status Update	Responsible Party
5	Community Health Worker Initiatives	8/19/2025, 7, M	Recommendation 3 - Unspent Fund	The Vice President of Finance and Administration for Health and Health Sciences should: Implement and enforce processes to ensure unspent grant funds at the end of grant periods are de-obligated during closeout. Provide training to CHWI employees and management surrounding implemented processes and requirements for unspent grant funds. Ensure that CHWI has adequate separation of duties for properly accounting for and utilizing unspent funds.	The Vice President of Finance and Administration for Health and Health Sciences will implement the following actions: Establish and enforce grant closeout processes for CHWI to ensure unspent grant funds are properly de-obligated during closeout. Procedures will be developed to support applications for unused funds through new awards or amendments to existing grants. Provide specific training to CHWI employees and management on the new processes and regulatory requirements related to grant closeout. Review CHWI segregation of duties in the grant accounting roles and provide recommendations to strengthen internal controls where possible. Implement clear procedures for reporting unspent grant funds to the appropriate offices.	11/30/2025	Partially implemented. Internal Audit verified that Health Literacy and the Earned Income Tax Credit (EITC) funds were de-obligated. However, IA verification that specific training for CHWI employees surrounding established processes for the grant close-out process and evidence of a review and assessment of segregation of duties in grant accounting are pending.	Jason Galloway, Chief Financial Services Ofcr
6	Community Health Worker Initiatives	8/19/2025, 7, M	Recommendation 4 - Pathway Partners Business Purpose	The Vice President of Finance and Administration for Health and Health Sciences should: Develop Standard Operating Procedures (SOPs) for billing and reconciliation processes surrounding Pathways to ensure that the billing information aligns with both the general ledger and the actual invoices issued by the vendor. Provide training to ensure that CHWI employees understand and fulfill their responsibilities effectively in Pathways billing procedures. Ensure adequate documentation supporting business activity and billing for Pathways is maintained	The Vice President of Finance and Administration for Health and Health Sciences agrees with IA's findings and acknowledges the need to strengthen billing and reconciliation processes for the Pathways program and will take the following steps to address the recommendations: To improve alignment between vendor invoices, the general ledger, and billing records, CHWI will develop comprehensive Standard Operating Procedures (SOPs) that clearly define roles, timelines, and reconciliation checkpoints. These SOPs will be designed to ensure consistency, accuracy, and transparency across all billing activities. In support of these procedures, CHWI staff will receive targeted training that not only covers billing responsibilities but also includes hands-on instruction in the Bernalillo County system used for Pathways business activity. This will help ensure staff understand both the technical and operational context of their work. To reinforce accountability, CHWI will implement a documentation protocol that ensures all billing and business activity records are systematically maintained and readily accessible for internal and external review. This will support audit readiness and promote confidence in the program’s financial practices.	11/30/2025	IA verification that documented billing procedures and training to CHWI employees for its Pathways program are still pending.	Jason Galloway, Chief Financial Services Ofcr

Follow Up Report - Pending
Aug 19, 2026 Open Session

No	Project Name	Report Approval Date, # of Recommenda-tions, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Estimated Implementation Date	Last Status Update	Responsible Party
7	Community Health Worker Initiatives	8/19/2025, 7, M	Recommendation 5 - Reconciliation of Actual Expenditures to Approved Sponsor Budgets	The Vice President of Finance and Administration for Health and Health Sciences should work with HSC Contracts and Grants to: Implement a process for reconciling approved budgets per grant agreements with the amount entered into Banner at the beginning of the award period and for each fiscal year. Implement formal approval procedures for grant budgets and establish standardized budgeting policies and procedures. Define roles and responsibilities related to the CHWI budget process. Create a training program to raise awareness about budgeting and monitor the actual amounts compared to the budget entered in Banner	The Vice President of Finance and Administration for Health and Health Sciences agrees with IA's findings and recognizes the importance of strengthening budget oversight and consistency within the CHWI program. To address the recommendations, a multi-phase approach will be implemented to improve budget integrity and operational accountability. A reconciliation framework will be developed to ensure that approved grant budgets are accurately reflected in Banner at the start of each award period and updated annually. This process will include validation checkpoints and coordination with the HSC Contract and Grant Accounting Office to ensure alignment with grant agreements. To formalize budget governance, standardized policies and procedures will be established for budget development, approval, and monitoring. These will be supported by clearly defined roles and responsibilities across CHWI personnel, ensuring transparency and accountability throughout the budget lifecycle—from planning to execution. In addition, a targeted training initiative will be launched to build budgeting competencies among CHWI staff. This program will emphasize the importance of comparing actual expenditures to budgeted amounts in Banner and will promote proactive financial management practices.	11/30/2025	Partially Implemented. CHWI provided training to its employees and offered a budget template along with instructions for budget reconciliation and report generation from Banner. However, Internal Audit determined that an SOP for CHWI's budget process has not been completed.	Jason Galloway, Chief Financial Services Ofcr
8	Audit of President's Travel, Entertainment & Other Expenses	2/17/2026, 2, M	Recommendation 1 - Unreported Benefit for Elected Officials	The Office of Government Relations should work with the Office of University Counsel and Policy Office to review and revise UAP 2050: Governmental Relations and Legislative Activity.	Government Relations will consult with University Counsel to determine the appropriate approach to ensuring congruence of relevant policies and state law. If policy changes are required, then both offices will collaborate with the Policy Office to facilitate policy change procedures. This process can involve lengthy engagement periods and foreshadows a scenario with extended time allocation for completion.	12/31/2026	Corrective Action not yet due.	Michael Puelle, Chief Government Relations Officer

Follow Up Report - Pending
Aug 19, 2026 Open Session

No	Project Name	Report Approval Date, # of Recommenda-tions, Risk (H/M/L)	Recommendation Title	Executive Recommendation	Management Response	Estimated Implementation Date	Last Status Update	Responsible Party
9	UNM Athletics	5/19/2026, 5, M	Recommendation 1 - Travel Documentation for PSA Visit	The Director of Intercollegiate Athletics should: 1.) Strengthen internal controls over official site visits to ensure travel and lodging expenditures are supported by sufficient documentation. 2.) Review lodging history related to the official site visit to verify lodging utilization and determine if a potential refund or credit is available.	Management acknowledges the finding related to additional hotel nights associated with an official visit. While existing internal controls require NCAA Compliance and Business Office review prior to booking recruiting travel, this instance reflects a reconciliation error. To address this, Athletics has reinforced its established approval process requiring all recruiting travel plans and itineraries to be submitted through Teamworks ARMS for review and approval by both Compliance staff and the Associate AD for Business Operations prior to any travel being booked. In addition, the Compliance Office has provided rules education to relevant staff, emphasizing permissible visit duration and allowable accompanying individuals under NCAA guidelines. Athletics will also strengthen the reconciliation & approval of recruiting travel to ensure the final invoice/folio adheres to approved itineraries.	12/31/2026	Athletics provided documentation demonstrating its use of the existing approval workflow for Official Visits. However, additional information and supporting documentation are needed by IA to verify implementation of the corrective actions. Management's request to extend the estimated implementation date from June 30, 2026, to December 31, 2026, was approved.	Ryan Berryman, Dir,Intercollegiate Athletics; Amy Beggin, Athl Afrs & Spts Progs Dir; Dante Mileta, Sr Assoc AD Bus Opns/Athletics
10	UNM Athletics	5/19/2026, 5, M	Recommendation 2 - Procurement Authorization and Purchase Order	The Intercollegiate Athletics Director should enforce established internal controls over the A/P process to ensure that standard procurement documents are prepared and approved in a timely manner and done so prior to the purchase of goods and services.	Management acknowledges the finding related to the timing of Purchase Order issuance for certain transactions. The transactions noted involved football equipment purchases that were time-sensitive and operationally critical. Football equipment ordering often occurs within condensed timeframes driven by roster changes, safety needs, and vendor production schedules. Additionally, these purchases can span fiscal periods, particularly when orders are placed in advance of the competitive season, but invoicing and fulfillment occur at a later date. These factors can create challenges in aligning procurement timing with standard Purchase Order procedures. While management views these instances as exceptions, Athletics recognizes the importance of ensuring procurement controls are consistently executed regardless of operational pressures. To address this, the Athletics Business Office will reinforce procurement requirements with all Athletics units.	12/31/2026	Athletics stated that the Athletics Business Office met with the equipment operations staff to reinforce procurement requirements. Additional information and supporting documentation is needed by IA to verify implementation. Management's request to extend the estimated implementation date from June 30, 2026, to December 31, 2026, was approved.	Ryan Berryman, Dir,Intercollegiate Athletics; Dante Mileta, Sr Assoc AD Bus Opns/Athletics

Follow Up Report - Pending
Aug 19, 2026 Open Session

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11	UNM Athletics	5/19/2026, 5, M	Recommendation 3 - Donor Intent and Reserves Deficit	The Director of Intercollegiate Athletics should: 1.) Develop procedures to ensure compliance with donor restrictions and available funding before charging the index. 2.) Work with UNMF to develop a standard operating procedure for endowment closures, including defined roles and communication protocols to ensure Athletics relies on accurate funding information.	Management acknowledges the finding related to expenditures that were not aligned with donor intent and available funding within certain endowment indices. Upon identification, the transactions in question were reviewed and have since been corrected to ensure proper alignment with donor restrictions and account balances. Athletics is committed to strengthening controls and improving transparency in the management of endowed funds. Athletics is developing a centralized tracking document and monitoring process for all endowed spending distributions, in coordination with the Athletics Business Office, the UNM Lobo Club, and the University of New Mexico Foundation. This process will allow management to quickly review each endowment and enhance visibility into donor restrictions, available balances, and allowable uses prior to expenditures being incurred.	12/31/2026	Athletics has made progress towards creating a centralized document for tracking Athletics endowments. Additional work is needed for management to establish a process for verifying available funding before expenditures are made. Management's request to extend the estimated implementation date from June 30, 2026, to December 31, 2026, was approved.	Ryan Berryman, Dir,Intercollegiate Athletics; Amy Beggin, Athl Afrs & Spts Progs Dir; Dante Mileta, Sr Assoc AD Bus Opns/Athletics
12	UNM Athletics	5/19/2026, 5, M	Recommendation 4 - Endowment Reserve Monitoring and Utilization	The Director of Intercollegiate Athletics should: 1) coordinate with the UNM Foundation to evaluate inactive endowments associated with discontinued programs or completed projects. 2) evaluate identified underutilized endowments, document management's assessment, and establish a planned approach. 3) establish a periodic review of endowed indexes to identify inactivity, reserve, and implement corrective action, as necessary.	Management acknowledges the finding related to unspent balances within certain endowed funds. Athletics recognizes the importance of utilizing these funds in accordance with donor intent while ensuring that available resources are effectively distributed to support student-athletes. In some instances, the specific restrictions tied to endowments have made it operationally challenging to fully expend available funds. The evolving landscape of collegiate athletics has reduced the practical applicability of some narrowly defined endowment criteria. As a result, eligible student-athletes may be limited in each period, leading to unspent balances. Athletics is committed to improving both compliance and utilization of endowed funds. Similar to the actions outlined in Recommendation 3, Athletics is developing a centralized tracking and monitoring process for endowed accounts to ensure greater visibility into restrictions, eligibility criteria, and available balances.	12/31/2026	Management's request to extend the estimated implementation date from June 30, 2026, to December 31, 2026, was approved.	Ryan Berryman, Dir,Intercollegiate Athletics; Amy Beggin, Athl Afrs & Spts Progs Dir; Dante Mileta, Sr Assoc AD Bus Opns/Athletics

Follow Up Report - Pending
Aug 19, 2026 Open Session

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13	UNM Athletics	5/19/2026, 5, M	Recommendation 5 - Concessions Contract Late Payment	The Director of Intercollegiate Athletics should strengthen processes for monitoring and collecting revenue share payments to ensure collections occur within contractual deadlines. Timely follow-up on outstanding balances should be performed, and contractual late payment provisions should be enforced in accordance with the terms of the agreement.	Management acknowledges the findings related to a missed monthly deposit under the concessionaire agreement with Levy Restaurants. Athletics maintains processes to monitor contractually required payments. However, one scheduled payment was not received in accordance with the agreed-upon timeline. Athletics was in communication with the concessionaire regarding the outstanding payment, and the amount due was subsequently remitted and corrected in the following fiscal year. All prior and subsequent payments have been received in accordance with the contract terms. To strengthen controls, Athletics will enhance its internal reconciliation of contractual payment schedules and implement more timely follow-up procedures when payments are not received as expected. In addition, Athletics will evaluate and enforce applicable contract provisions where appropriate in future instances.	12/31/2026	Management's request to extend the estimated implementation date from June 30, 2026, to December 31, 2026, was approved.	Ryan Berryman, Dir,Intercollegiate Athletics; Dante Mileta, Sr Assoc AD Bus Opns/Athletics; Nicole Christine Dopson, AVP for Academic Resources Mgt

MEETING ADJOURNMENT