CALL TO ORDER/
QUORUM

The University of New Mexico
Board of Regents' Audit and Compliance Committee
October 21, 2026
9:00 AM – Scholes Hall, Roberts Room (204)
Webinar Link: https://unm.zoom.us/j/93896956331

Agenda

I. Call to Order and Confirmation of a Quorum

II. Adoption of Agenda

III. Approval of Meeting Minutes from August 19, 2026

IV. Roll Call Vote to close the meeting and to proceed in Executive Session as follows:

A. Presentation of FY26 External Financial Audit pursuant to RPM 1.2. (Plante & Moran, University Controller's Office)

B. 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)

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

D. Vote to Re-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

Presenter: *Victor Griego, Internal Audit Director*

B. Main Campus Chief Compliance Officer Status Report

Presenters: *Francie Cordova, Chief Compliance Officer*

Adrienne Helms, Clery Compliance Coordinator

C. Status of Audit Recommendations

Presenter: *Victor Griego, Internal Audit Director*

VII. Adjournment

THE UNIVERSITY OF NEW MEXICO

Board of Regents' Audit and Compliance Committee Quarterly Meeting
August 19, 2026 – Meeting Minutes

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

Other Attendees: Dr. Steve Goldstein, Terry Babbitt, Teresa Costantinidis, Francie Cordova, Bonnie White, Duane Arruti, Andrew Jacobson, Daniel Jones, Ariadna Vazquez, Susan Rhymer, Ajay Gupta (CLA), Dave Strzyzewski (CLA), Emily Morelli, Victor Griego, Chien-chih Yeh, Jeremiah Sanchez, Michelle Verity, and other members of the University community.

Chair Fortner called the meeting to order at 9:02 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 9:03 AM.
By unanimous consent, the meeting returned to Open Session at 9:35 AM.

ACTION ITEMS:

Adoption of Agenda

The Committee considered the agenda for August 19, 2026, meeting.

Action: The Committee approved the agenda.

Approval of May 19, 2026, Meeting Minutes

The Committee considered the minutes of May 19, 2026, Audit and Compliance Committee meeting.

Action: The Committee approved the minutes.

Executive Session

The Committee entered Executive Session pursuant to the applicable provisions of the New Mexico Open Meetings Act to discuss matters permitted under the agenda.

Following Executive Session, the Committee returned to Open Session.

Certification of Executive Session

The Committee certified that only those matters described in Agenda Item IV were discussed during Executive Session.

Action Items Following Executive Session

Approval of Hospital Audits

The Committee considered approval of the P-Card Audit and Physical Security Assessment.

Action: Upon motion duly made and seconded, the Committee unanimously approved the P-Card Audit and Physical Security Assessment.

Internal Audit Risk Assessment and Three-Year Internal Audit Plan and External Quality Assessment

The Committee considered the proposed risk assessment and three-year audit plan for Internal Audit and External Quality Assessment.

Action: Upon motion duly made and seconded, the Committee unanimously approved the Internal Audit Risk Assessment and Three-Year Internal Audit plan and External Quality Assessment.

IT Risk Assessment

The Committee considered approval of the IT Risk Assessment.

Action: Upon motion duly made and seconded, the Committee unanimously approved the IT Risk Assessment.

INFORMATION ITEMS:

INTERNAL AUDIT DIRECTOR'S STATUS REPORT

Victor Griego, Internal Audit Director

Mr. Griego provided an update on Internal Audit operations and staffing, the status of the FY25 and FY26 audit plans, complaints, the External Quality Assessment, and external audits and reviews.

Internal Audit Operations and Staffing

Mr. Griego reported that Internal Audit has selected an internal auditor who is expected to begin within the next two weeks. The department has also selected a student intern. He noted that the department provides internship opportunities to students interested in pursuing a career in internal audit.

Audit Plan Status

Mr. Griego reported that of the 11 audits included in the FY25 and FY26 audit plans, six have been completed and presented, while five are currently in the planning or fieldwork stages.

Current fieldwork includes audits of university-wide Contracts and Grants, the UNM Gallup Branch, and the Department of Biology. Planning is underway for the IT Disaster Recovery audit and the College of Nursing audit.

Complaint Status

Mr. Griego reported that during FY26, Internal Audit received 62 complaints through EthicsPoint. Of those cases, 15 were substantiated. Substantiated allegations may result in a formal report and recommendations and, when appropriate, additional action.

For FY27, Internal Audit has received 29 complaints to date. Two have been completed, 23 are in planning or fieldwork, and four remain to be assigned.

External Quality Assessment

Mr. Griego reported that the External Quality Assessment has been completed. Internal Audit will work toward implementing the recommendations resulting from the assessment and anticipates conducting another assessment in approximately three years.

External Audits and Reviews

Mr. Griego reported that seven external audits and reviews had been completed by the New Mexico Economic Development Department, with no findings resulting from those audits.

Five additional audits and reviews are currently in process. These engagements are in the early stages of the audit process, and therefore there is limited information available to report at this time.

Committee Discussion
No questions were raised by the Committee.

MAIN CAMPUS CHIEF COMPLIANCE OFFICER STATUS REPORT

Francie Cordova, Chief Compliance Officer

Ms. Cordova presented an overview of the Main Campus Chief Compliance Officer's FY26 work plan and FY27 priorities.

EthicsPoint Data

Ms. Cordova reported that the University received more than 1,800 complaints through the EthicsPoint reporting hotline during the prior fiscal year. Approximately 1,000 complaints involved civil rights matters, with the remaining complaints relating to various areas across the University.

The EthicsPoint data was presented as an informational item. Ms. Cordova offered to provide additional information or discussion regarding specific data points at a future meeting.

Staffing

Ms. Cordova reported that the office currently has 16 FTE, including four investigators in the Equal Opportunity area. Two investigator positions are currently vacant, and the office is actively interviewing candidates to fill the positions.

The office has also added two employees supported through reserve funding. One is assisting with Clery crime-data classification and reporting, and the other is serving as a pregnancy accommodation specialist.

Minors on Campus and Youth Protection

Ms. Cordova provided an update on efforts to strengthen protections for minors participating in academic and athletic programs on university property.

The University has strengthened its youth protection policy and implemented an electronic platform, Lobo Youth, to centralize background checks and related documentation. The system will provide improved oversight and allow for auditing of required documentation.

Policy Updates

Ms. Cordova reported that UAP 2720 – Equal Opportunity, UAP 2740 – Sex Harassment, including Sexual Assault, and UAP 2745 – Clery were signed by President Stokes on July 13, 2026, and are now implemented. The University also adopted a Digital Accessibility Policy, which was signed on June 5, 2026. Implementation of the policy is now underway.

Ms. Cordova provided an update on the draft Conflict of Interest/Conflict of Commitment policy. The policy is currently under review by President Goldstein and is expected to proceed to public comment and constituent review during the fall.

FY27 Work Plan

Ms. Cordova outlined the office's priorities for FY27, including aligning procedures, documents, templates, and training with the newly adopted Equal Opportunity policies; implementing the Digital Accessibility Policy; advancing the Conflict of Interest/Conflict of Commitment policy and electronic disclosure platform; and conducting risk assessments.

The office is working with a consultant to assess frequently used University websites and platforms for digital accessibility compliance and is developing templates to support accessibility in the development of new websites and learning platforms.

Ms. Cordova also reported that the office is monitoring developments in federal regulations and executive orders that could affect University policies and compliance requirements, including potential changes involving Title VI, Title IX, and Clery.

Committee Discussion

A Committee member asked about the distinction between Title VI and Title IX. Ms. Cordova explained that Title VI includes protections related to national origin and religion, as well as areas of overlap with other federal requirements. She noted that the University is monitoring potential federal requirements related to Title VI coordination.

The Committee had no further questions.

STATUS OF AUDIT RECOMMENDATIONS

Chien-Chih Yeh, Internal Audit Manager

Mr. Yeh presented the follow-up report on the status of prior audit recommendations. He reported that at the May 2026 Audit and Compliance Committee meeting, there were 16 pending recommendations. Since that meeting, half of the recommendations have been implemented by management and verified by Internal Audit.

Implemented Recommendations

Mr. Yeh reviewed several recommendations that had been implemented, including recommendations related to Project ECHO, the Office of the Medical Investigator, the University-wide Non-Standard Payments Audit, Community Health Worker Initiatives, and the President's Travel and Entertainment Audit.

For Project ECHO, management successfully implemented a new system to review and certify employee effort for the July through December 2025 period. Internal Audit verified the implementation and determined that the recommendation had been implemented.

For the Office of the Medical Investigator, recommendations addressing additional supervisory positions and vendor performance monitoring were reviewed. Management established a formal vendor monitoring program

addressing vendor quality and billing, and Internal Audit determined the applicable recommendations had been implemented.

For the University-wide Non-Standard Payments Audit, management implemented a revised standard operating procedure and an exception report designed to identify critical errors in non-standard payment processing. Internal Audit determined the recommendation had been implemented.

Mr. Yeh reported that recommendations related to the Community Health Worker Initiatives audit had also been reviewed, with implemented recommendations verified by Internal Audit.

For the President's Travel and Entertainment Audit, the root cause was identified, and procedures were revised by the Controller's Office. Internal Audit determined the recommendation had been implemented.

Recommendations Pending Verification or Further Action

Mr. Yeh explained that some recommendations have been implemented by management but are still undergoing verification by Internal Audit. Other recommendations are not yet due or require additional corrective action.

Of the seven Community Health Worker Initiatives recommendations, four remain partially implemented. Internal Audit will revisit those recommendations once additional information and documentation have been provided.

Mr. Yeh also provided an update on five recommendations from the UNM Athletics Audit, which were approved at the May 2026 Committee meeting. Internal Audit determined that additional information and documentation are needed to verify implementation. Management requested an extension of the original June 30, 2026, completion date to December 2026.

Internal Audit will revisit the recommendations once the requested information and documentation are provided and will report back to the Committee.

Committee Discussion

No questions were raised by the Committee.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:55 AM.

Approved:

Audit and Compliance Committee Chair

Date: _____

ROLL CALL VOTE AND PROCEED IN EXECUTIVE SESSION

Presentation of FY26 External Financial Audit pursuant to external audit exception in RPM 1.2. (*Plante & Moran, University Controller's Office*).

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
October 21, 2026

Internal Audit Operations and Staffing. The Internal Audit Department has hired one Internal Auditor and one Student Intern. The department now has all budgeted positions filled.

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

Completed/Report Writing	3
Planning/Fieldwork	4
Unassigned	5
Total	**12**

Six (6) audits from the FY26 audit plan have been completed or are in process. Report writing and wrap-up procedures have been initiated for the audits of Contracts and Grants and UNM Gallup. Fieldwork procedures are nearly completed for the Audit of the Biology Department. Internal Audit is completing Planning procedures for the Audit of the College of Nursing and IT Disaster Recovery.

For FY27 Audit Plan, planning procedures have been initiated for the annual audit of the President's Travel and Entertainment Expenses. Internal Audit management is in the process of assigning five audits from the FY27 audit plan.

The following is the status of the FY26 and FY27 audit plan:

Internal Audit Director's Status Report
Audit and Compliance Committee Meeting
October 21, 2026

Description	Status	FY 27 Budgeted Hours	FY 27 Actual Hours	Variance
Audit Plan				
FY 2026 Audit Work Plan				
FY26 Risk Assessment	Completed	50	43	7
UNM Gallup	Report Writing	18	180	(162)
Contracts and Grants	Report Writing	235	131	104
Biology	Fieldwork	69	68	1
IT - Disaster Recovery	Planning	359	34	325
College of Nursing	Planning	346	81	265
FY 2027 Audit Work Plan				
President's Travel and Entertainment FY26	Planning	350	0	350
School of Engineering - COSMIAC	Unassigned	500	0	500
Facility Services	Unassigned	500	0	500
College of Population Health	Unassigned	500	0	500
Payroll/Time Reporting	Unassigned	500	0	500
Endowments - Donor Intent	Unassigned	400	0	400
Audit Plan Subtotal		3,827	537	3,290

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

	FY27
Completed/Closed	7
Planning/Fieldwork	23
Unassigned	5
Total	**35**

Of the seven (7) completed/closed cases, three (3) 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.

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 September 30, 2026 regarding the external audits/reviews (third party

financial audits) of various grants, contracts, and programs by various grantor agencies. There are currently six (6) audits/reviews to report for this reporting period.

Sandia National Laboratories completed an audit of various awards for the FYs 24 and 25 grant period. One finding was reported for minor questioned costs totaling $1,320.89. Corrective action has been completed.

FEMA completed an audit for three (3) grants awarded to Earth Data Analysis Center totaling approximately $302,000. No findings were reported.

Roswell Park Cancer Research completed an audit of one award to the College of Population Health totaling $350,00. No findings were noted.

The following are audits that are in process:

Agency	Amount	Department
Family Health Centers	$ 160,618	Project Echo
Univ. of North Carolina	$ 17,142	Internal Medicine
New York University	$ 599,620	Internal Medicine

	Completed	Completed	Completed	In Process	In Process	In Process
Granting Agency/Entity	Sandia National Labs	FEMA	Roswell Park Cancer Research HRI	Family Health Centers of San Diego (FHCSD)	University of North Carolina - Chapel Hill	New York University - Grossman School of Medicine
Contract/Grant/Program	All SNL awards	3 different grants -- 2RWZ2, 2RYW2, 2RYV9	2RZM1	3WD80 - HSC	3PK70	2 different grants -- 3RLT5 & 3LT51
Contract/Grant Period	FY24-FY25	2RWZ2 - 9/1/23-9/30/27 2RYW2 - 9/18/24-9/17/26 2RYV9 - 9/18/24-9/17/28	05/01/2024 - 04/30/2026	FY 2025 and 2026	03/01/2026-03/31/2026	03/01/2022-02//28/2023
Contract/Grant Total Amount	Various	2RWZ2 - $198,228 2RYW2 - $50,000 2RYV9 - $53,928	$350,000	$160,618.00	$17,142	$599,619.74
Department	Various	Earth Data Analysis Center	Center for Health Policy (College of Population Health)	Project ECHO	Internal Medicine	Internal Medicine
Agency Audit/Review Notification Date	3/9/2026	6/24/2026	5/18/2026 (Note that notice was sent to incorrect department - CGA did not receive notice until 7/29/2026)	7/9/2026	7/14/2026	3/2/2026
Audit/Review Entrance/Visit Date(s)	TBD	Scheduled for 8/24/2026		TBD	TBD	3/2/2026
Audit/Exit/Final Report	8/27/2026	9/24/2026	9/9/2026	None - In Progress	None - In Progress	None - In Progress
Questioned Cost, if any	$1,320.89	None	None	None - In Progress	None - In Progress	None - In Progress
Audit/Review Major Finding, if any	CRLS overcharges ($369.60), lack of documentation for reported travel event due to likely administrative error ($642.89), unallowable meal and per-diem charges ($71.36), and unallowable related direct costs	None	None	None - In Progress	None - In Progress	None - In Progress
Corrective Action Plan, if any	Purchasing staff is working with CRLS on appropriate pricing. Additionally, campus community was notified of proper routing procedures for travel reimbursement requests to avoid sending reimbursement requests to inappropriate campus persons and locations. All responsible university accounting offices are collaborating on process to better communicate and collaborate on instances where reported costs may cover multiple accounting	None, no findings	None, no findings	None - In Progress	None - In Progress	None - In Progress
Planned Implementation Date	Implemented	Not Applicable	Not Applicable	None - In Progress	None - In Progress	None - In Progress
Campus	Various Campuses	Main	Main	HSC	HSC	HSC

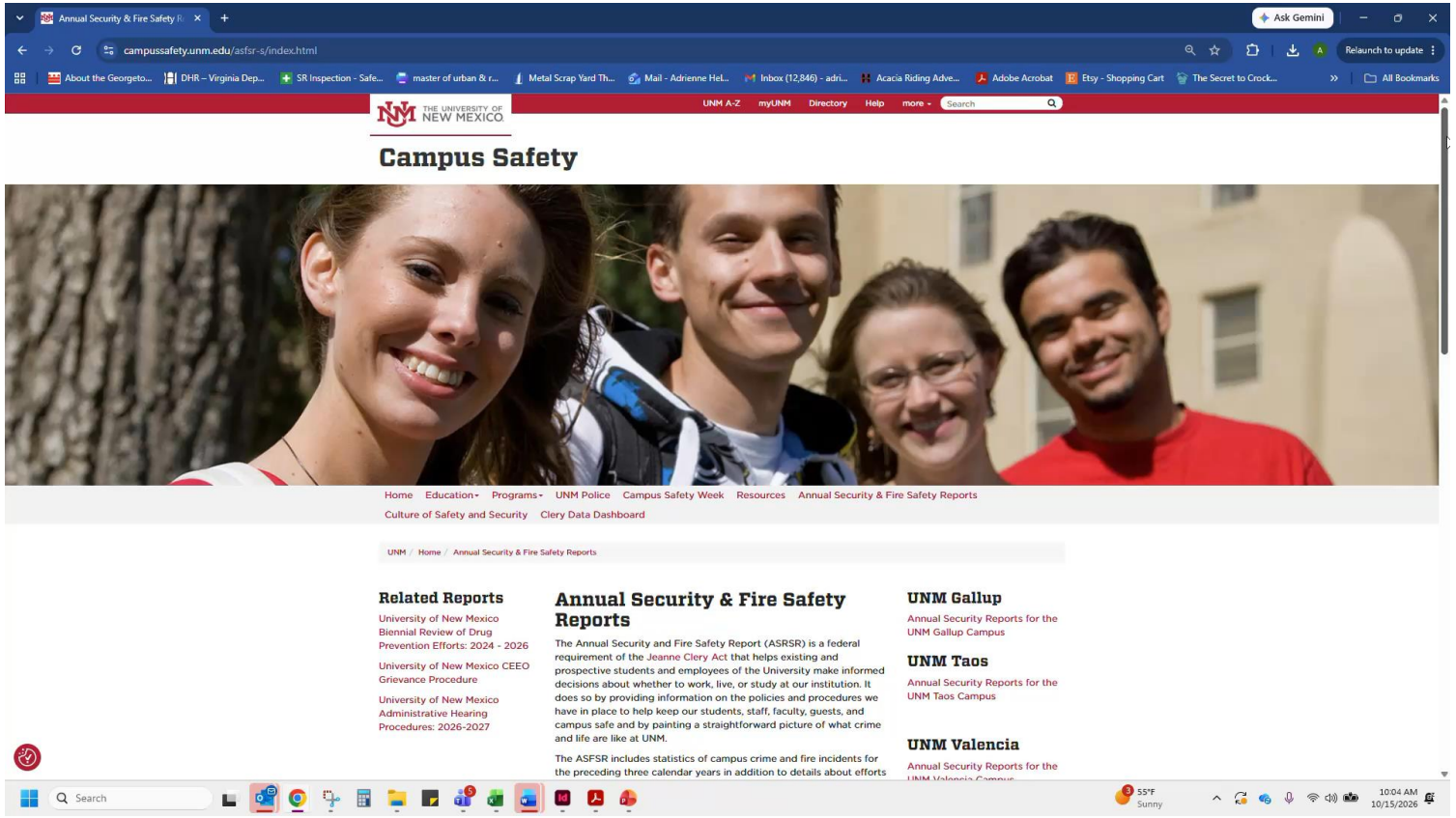
Clery Act Update

Francie Córdova, JD, Chief Compliance Officer

Adrienne Helms, Clery Coordinator

Advancing Clery Act Compliance at UNM

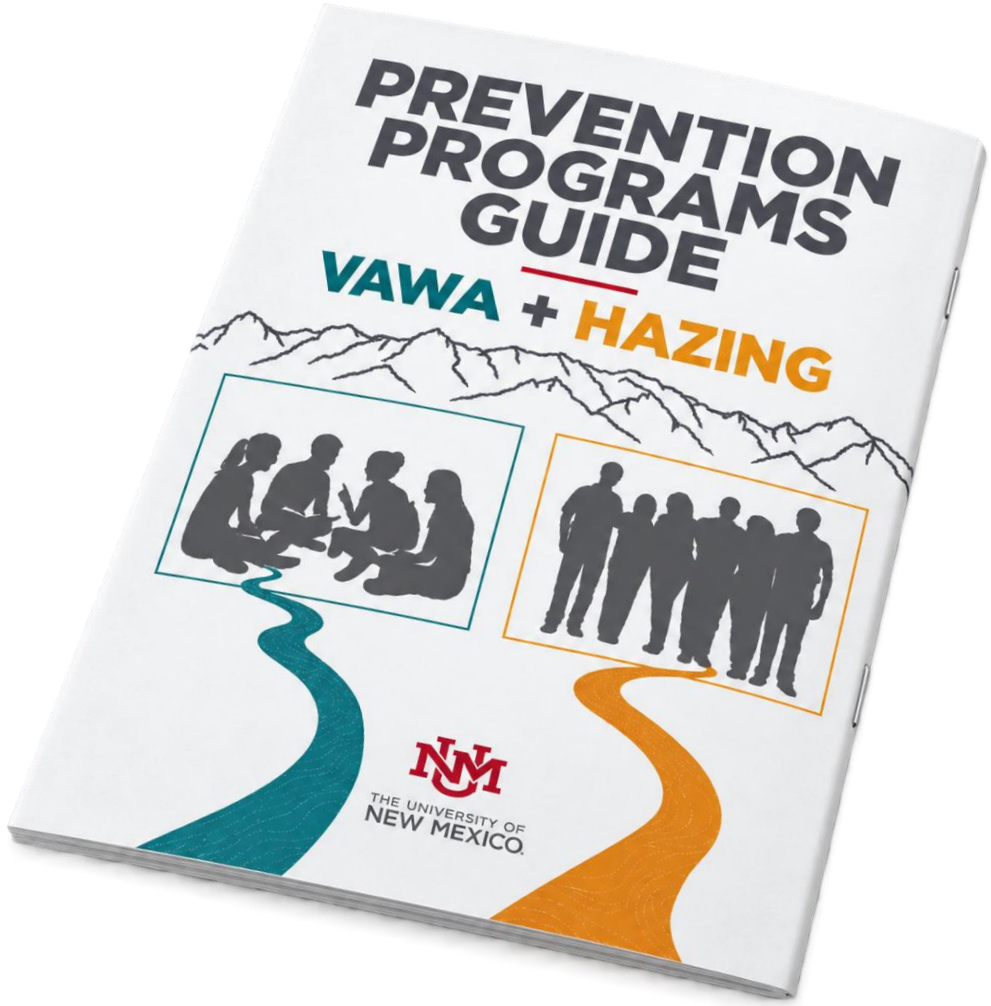
- UAP 2745: Clery Act Disclosures and Programs
- **Eight** Annual Security Reports published October 1
  - **New:** Hazing
    Annual statistics
    Policy
    Prevention programs
    Campus Hazing
    Transparency Report
- Constantly improving **administrative capability**




LOBOS SUPPORTING LOBOS
NAVIGATING SUPPORT, RESOURCES, AND RESPONSE TO SEXUAL AND RELATIONSHIP VIOLENCE
FRIDAY, NOVEMBER 20TH | 11:30 A.M.–1:00 P.M.
VIRTUAL VIA ZOOM
RSVP OR SUBMIT A QUESTION
KNOW YOUR OPTIONS
LOBOS AFFECTED BY SEXUAL ASSAULT, DATING OR DOMESTIC VIOLENCE, OR STALKING: LEARN WHERE TO TURN, WHAT YOUR OPTIONS ARE, AND HOW UNM OFFICES WORK TOGETHER.
JOIN THE CONVERSATION
REPRESENTATIVES FROM ACROSS UNM DISCUSS THE RESOURCES AND PARTNERSHIPS THAT SUPPORT STUDENTS AFFECTED BY SEXUAL AND RELATIONSHIP VIOLENCE.
ACCESS THE SURVIVOR'S GUIDE TO RIGHTS & OPTIONS
MEET THE PANEL
HEAR FROM CONFIDENTIAL ADVOCACY, COUNSELING, HOUSING, STUDENT CONDUCT, UNM POLICE, AND TITLE IX ABOUT HOW TO ACCESS SUPPORT AND NAVIGATE YOUR OPTIONS, WITH TIME FOR Q&A.
ALL LOBOS WELCOME
WHETHER YOU'RE SEEKING HELP, SUPPORTING A FRIEND, OR WANT TO UNDERSTAND UNM'S RESPONSE, COME FEEL INFORMED, CONNECTED, AND SUPPORTED.
OFFICE OF COMPLIANCE, ETHICS & EQUAL OPPORTUNITY

Moving Forward

- *A Survivor's Guide to Rights & Options at UNM* in Spanish
- Streamlined automations to emergency messaging tools to strengthen consistency and quality control
- Strengthened coordination and improved measurement across VAWA and hazing prevention efforts



Lobos Against Domestic Violence





Follow Up Report - Implemented
Oct 21, 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	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	Internal Audit (IA) verified that the Budget Monitoring Standard Operating Procedures (SOPs) have been fully developed. Based on the evidence provided, IA determined that the corrective action for “Reconciliation of Actual Expenditures to Approved Sponsor Budgets” has been effectively implemented. This recommendation is now closed.	Jason Galloway, Chief Financial Services Ofcr

Follow Up Report - Implemented
Oct 21, 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
2	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	Internal Audit (IA) verified that the Budget Monitoring Standard Operating Procedures (SOPs) have been fully developed. Based on the evidence provided, IA determined that the corrective action for “Reconciliation of Actual Expenditures to Approved Sponsor Budgets” has been effectively implemented. This recommendation is now closed.	Jason Galloway, Chief Financial Services Ofcr

Follow Up Report - Management Accepts Risks
Oct 21, 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	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	Due to the unique nature of the FDMI investigation job position at OMI, managment has indicated that electronic time reporting may not be a feasible option for FDMI time reporting. OMI and HSC Management has instead opted for strengthening internal controls over manual time keeping and reporting for their FDMI employees. Manual time keeping and reporting is inherently a higher risk activity. Management has accepted the inherent risk of manual time reporting. Internal Audit verified implemented processes that strengthened controls over manual time keeping for FDMI employees and noted no exceptions during follow up testing of FDMI time reporting. Therefore, Internal Audit considers this recommendations to be closed.	Rebecca Napier, VP,Fin & Admin,Hlth & Hlth Sci

Follow Up Report - Pending
Oct 21, 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	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.	12/31/2026	The auditee(s) requested an extension on the estimated implementation date from 10/1/2026 to 12/31/2026, and was granted by IA Management.	Andrew Jacobson, University Controller
2	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.	12/31/2026	The auditee(s) requested an extension on the estimated implementation date from 10/1/2026 to 12/31/2026, and was granted by IA Management.	Andrew Jacobson, University Controller

Follow Up Report - Pending
Oct 21, 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	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	Internal Audit (IA) verified that CHWI refunded unallowable costs totaling $8,537.03 across the Health Literacy and EITC programs. Additionally, IA confirmed that all personnel have completed the required grant management training. However, finalized Standard Operating Procedures (SOPs) for CHWI's grant management process remain pending. This recommendation is partially implemented and will remain open.	Jason Galloway, Chief Financial Services Ofcr
4	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	HSC managment is still in the process of formally documented billing procedures for the Pathways program and providing internal training for CHWI employees.	Jason Galloway, Chief Financial Services Ofcr

Follow Up Report - Pending
Oct 21, 2026 Open Session

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5	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	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.	Michael Puelle, Chief Government Relations Officer
6	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	Corrective action is not yet due under the appoved extension to December 31, 2026. The status reported in August 2026 remains unchanged. Management indicated that supporting documentation would be provided before the revised completion date.	Ryan Berryman, Dir,Intercollegiate Athletics; Amy Beggin, Athl Afrs & Spts Progs Dir; Dante Mileta, Sr Assoc AD Bus Opns/Athletics

Follow Up Report - Pending
Oct 21, 2026 Open Session

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7	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	Corrective action is not yet due under the appoved extension to December 31, 2026. The status reported in August 2026 remains unchanged. Management indicated that supporting documentation would be provided before the revised completion date.	Ryan Berryman, Dir,Intercollegiate Athletics; Dante Mileta, Sr Assoc AD Bus Opns/Athletics
8	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	Corrective action is not yet due under the appoved extension to December 31, 2026. The status reported in August 2026 remains unchanged. Management indicated that supporting documentation would be provided before the revised completion date.	Ryan Berryman, Dir,Intercollegiate Athletics; Amy Beggin, Athl Afrs & Spts Progs Dir; Dante Mileta, Sr Assoc AD Bus Opns/Athletics

Follow Up Report - Pending
Oct 21, 2026 Open Session

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9	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	Corrective action is not yet due under the appoved extension to December 31, 2026. The status reported in August 2026 remains unchanged. Management indicated that supporting documentation would be provided before the revised completion date.	Ryan Berryman, Dir,Intercollegiate Athletics; Amy Beggin, Athl Afrs & Spts Progs Dir; Dante Mileta, Sr Assoc AD Bus Opns/Athletics

Follow Up Report - Pending
Oct 21, 2026 Open Session

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10	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	Corrective action is not yet due under the appoved extension to December 31, 2026. The status reported in August 2026 remains unchanged. Management indicated that supporting documentation would be provided before the revised completion date.	Ryan Berryman, Dir,Intercollegiate Athletics; Dante Mileta, Sr Assoc AD Bus Opns/Athletics; Nicole Christine Dopson, AVP for Academic Resources Mgt

MEETING

ADJOURNMENT