

# **BOARD of REGENTS**



## **AUDIT COMMITTEE MEETING**

*Friday, May 23, 2014 at 9:00 am  
Scholes Hall, Roberts Room*

The University of New Mexico  
Board of Regents' Audit Committee  
May 23, 2014 – 9:00 AM  
Roberts Room  
**Agenda**

**ACTION ITEMS**

1. Confirmation of a Quorum and Adoption of Agenda
2. Approval of Meeting Minutes from Special Meeting March 25, 2014
3. Audit Committee Meeting Calendar for Fiscal Year 2015. The following proposed meeting dates are being presented for Committee approval. The Committee meets at 9:00 AM in the Roberts Room. This schedule will accommodate the exit conference for the financial audit.

August 21, 2014  
October 16, 2014  
March 19, 2015  
May 21, 2015

**INFORMATION ITEMS**

4. Advisors' Comments
5. Follow-Up Items from February 20, 2014 Meeting
6. FY14 Audit Entrance Conference (*KPMG, Moss Adams, and Elizabeth Metzger, University Controller*)
7. Health Science Center Chief Compliance Officer Status Report (*Stuart Freedman, HSC Chief Compliance Officer*)
8. Main Campus Chief Compliance Officer Status Report (*Helen Gonzales, UNM Main Campus Chief Compliance Officer*)
9. Status of Audit Recommendations (*Chien-chih Yeh, Internal Audit Manager*)  
Implemented  
Open  
Pending
10. Director of Internal Audit Status Report (*Manu Patel, Internal Audit Director*)

The University of New Mexico  
Board of Regents' Audit Committee  
*May 23, 2014 – 9:00 AM*  
*Roberts Room*  
**Agenda**

**EXECUTIVE SESSION**

11. Vote to close the meeting and to proceed in Executive Session as follows:

- a. Discussion of Final Internal Audit Reports, pursuant to limited personnel matters exception at Section 10-15-1.H(2) NMSA (1978), exception for matters subject to attorney-client privilege pertaining to threatened or pending litigation at Section 10-15-1.H(7), NMSA (1978), and exception for matters subject to discussion of purchase, acquisition or disposal of real property or water rights by the public body at Section 10-15-1.H(8), NMSA (1978);
- b. Discussion of limited personnel matters pursuant to exception at Section 10-15-1.H(2) NMSA (1978);
- c. Schedule of Audits in Process, pursuant to exceptions at Sections 10-15-1H(2 and 7), NMSA (1978); and
- d. Vote to re-open the meeting.

12. Certification that only those matters described in Agenda item #11 were discussed in Executive Session and if necessary ratification of action, if any, taken in Executive Session

13. Adjournment

THE UNIVERSITY OF NEW MEXICO  
Board of Regents Special Audit Committee Meeting  
March 25, 2014 – Draft Meeting Minutes

Members Present: Chairman J.E. “Gene” Gallegos, Vice Chair Lt. Gen. Bradley Hosmer, Regent James Koch (Quorum).

Other Attendees: Robert Frank, David Harris, Chaouki Abdallah, Bruce Cherrin, Liz Metzger, Jewel Washington, Helen Gonzales, Ava Lovell, Elsa Cole, Cynthia Reinhart (KPMG), Mike Bush (ABQ Journal), Manu Patel, Amy O’Donnell.

Chairman Gallegos called the meeting to order at 8:42 a.m. in SUB BALLROOM C, UNM Main Campus Student Union Building.

Bruce Cherrin, Chief Procurement Officer, and Liz Metzger, University Controller, presented the Committee with information regarding the request for proposal (RFP) on the fiscal year 2014 external financial audit contract. Mr. Cherrin stated there were three respondents to the RFP. One of the respondents was not on the list of auditors that may be contracted from the State Auditor’s Office. Therefore, that proposal had to be thrown out. The proposal from KPMG and Moss Adams stated there would be a small price reduction for fiscal year 2014 and then go up about 4% each of the next two fiscal years. Chairman Gallegos asked to be reminded about who was the lead audit firm last year. Ms. Metzger responded that for the last two fiscal years, KPMG performed the main campus audit and Moss Adams performed the clinical area auditing. KPMG signed the opinions. Moss Adams was the subcontractor. The State Audit Rule states that you can have the same audit firm for six (6) consecutive years, and then you need to take a break for two (2) years. KPMG has been the lead for the last two (2) years. This contract would be for one (1) year and have the option of renewal for two (2) more years.

**ACTION ITEMS:**

- The Committee approved the agenda (Motion: Vice-Chairman Hosmer, Second: Regent Koch).
- The Committee approved the minutes from the meeting of February 20, 2014. (Motion: Regent Koch, Second: Regent Hosmer).
- The Committee approved the contract for KPMG and Moss Adams as the fiscal year 2014 external financial auditors (Motion: Vice-Chairman Hosmer, Second: Regent Koch).

Motion to adjourn 8:45 a.m. (Motion: Regent Koch, Second: Vice Chairman Hosmer).

Approved:

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Audit Committee Chairman

There is no  
handout  
required for  
this item

There is no  
handout  
required for  
this item

**INFORMATION  
TO  
BE  
SUPPLIED  
AT  
MEETING**



*cutting through complexity*

MOSS ADAMS LLP



THE UNIVERSITY *of*  
NEW MEXICO

# Entrance Conference Presentation to Audit Committee

May 23, 2014



# Agenda

- Your service team
- Summary of audits
- Purpose of communication
- Our responsibilities
- Limitations to the audits
- Scope of Audit Services
- Audit approach – Main Campus (KPMG)
- Audit approach – Clinical Operations (Moss Adams)
- Key areas of focus
- Timing of the audits
- Closing

# Your service team

## **KPMG – Main Campus and Non-Clinical Component Units**

- John Kennedy, Partner
- Cynthia Reinhart, Partner
- Brett Hanselman, Concurring Partner
- Joaquin Noon, Sr. Manager (UNM financial statement audit, UNMF, KNME, KUNM)
- Suzette Longfellow, Sr. Manager (UNM Single Audit, Lobo Club)
- Helen Mann, Sr. Manager (ASMF, Alumni, UNM.STC)
- Brett Thompson, Sr. Manager (Lobo Development)
- Caroline Garcia, Sr. Manager (Lobo Energy)

## **Moss Adams – Clinical Operations**

- DeVon Wiens, Partner (UNM Hospitals, UNMMG, SRMC)
- Brian Conner, Concurring Partner (UNM Hospitals, UNMMG, SRMC)
- Aparna Venkateswaran, Sr. Manager (UNM Hospitals, UNMMG, SRMC)
- Tyler Zundel, Manager (UNM Hospitals, SRMC)
- Sandy Schwank, Manager (UNMMG)

# Summary of audits

## Financial Statement Audits

- Opinion on the Government-wide financial statements of the University, includes the main campus, branches, health sciences center, hospitals, and all component units
- KPMG – responsible for the main campus and branches, Health Sciences Center and all components except clinical operations
- Moss – responsible for the UNM Hospitals, UNMMG, SRMC

## OMB Circular A-133 Audit

- KPMG – responsible for the federal program compliance audit for the main campus
- Moss – responsible for the federal program compliance audit for the UNM Hospital and SRMC (FHA programs)

## Professional Requirements:

- Governmental Auditing Standards issued by the Comptroller General of the United States
- OMB Circular A-133 and OMB Circular A-21
- New Mexico Office of the State Auditor – 2014 Audit Rule

# Purpose of communication

**Statement on Auditing Standards No. 114, *The Auditor's Communication with Those Charged with Governance*, requires:**

- Communication with Audit Committee
- Pre and Post Audit communication
- Planned scope and timing
- Significant issues and findings

# Our responsibilities

- Forming and expressing an opinion about whether the financial statements that have been prepared by management with the oversight of those charged with governance are presented fairly, in all material respects, in conformity with GAAP
- Designing the audit to obtain reasonable, not absolute assurance about whether the financial statements are free of material misstatement
- Communicating significant matters related to the financial statement audit that are, in our judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process

# Limitations to the audits

- The audit of the financial statements does not relieve management or those charged with governance of their responsibilities
- Audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting
- We design our audit to detect **material** misstatements, whether due to error or fraud
  - Materiality is based on auditor judgment
  - Considers both quantitative and qualitative factors

# Scope of audit services

- Risk-based approach to our audit procedures:
  - Specifically, significant risks of material misstatement whether due to error or fraud
  - Based on our experience, discussions with management and those charged with governance

## 3 Phases to the Audits:

### 1. Internal Controls

- Conduct testing during the year to conclude on the proper design and implementation of controls
- Test controls for purposes of assisting us to form an opinion on the financial statements

### 2. Test controls and compliance with Federal grant requirements

- Student Financial Aid (KPMG)
- FHA Programs (Moss)

### 3. Final Audit Testing & Reporting

- Testing of June 30, 2014 balances
- Testing and review of financial statements and disclosures

# Audit Approach – Main campus (KPMG)

## Approach to Internal Controls – Main Campus, Branches, Health Sciences Center:

Focus on testing internal controls in the following key areas:

- Cash receipting transaction cycle
- Investments
- Payroll expenditures
- Non-payroll expenditures (procurement expenditures)
- Contract and grants transaction cycle
  - Student Financial Aid transactions
- Banner system controls
  - Test both information technology and manual controls – incorporate use of IT specialists in the audits



# Audit Approach – Main campus, cont. (KPMG)

## Key areas of focus – Main Campus, Branches, Health Sciences Center:

- Compliance with Federal Grants and contracts
- Alternative investments valuation (UNM and UNMF)
- Accounts receivable and related revenues (student tuition and fees, Lottery scholarships, and other)
- Patient revenues (UNM Cancer Center, etc.)
  - Valuation allowance for patient receivables and determination of uncompensated care
- Non-routine transactions
- Measurement of OPEB and related disclosures
- VEBA plan
- Bonds payable, including compliance and financial statement presentation
- Compliance with bond and HUD loan guarantee covenants
- Accounting for transactions with affiliates (UNMMG, UNM Hospitals, SRMC, and other UNM component units)
- Non-operating revenues and expenses
- Adoption of new accounting standard GASB Statements No. 65 and No. 70 (see summary on p.12)
- Financial statement presentation

# Audit approach – Clinical Operations (Moss Adams)

## Approach to Internal Controls and Substantive Audit Procedures

Focus on the following key areas:

- Patient revenue cycle
- Valuation allowance for uncollectible patient receivables and determination of uncompensated care
- Estimated third-party payor settlements
- Payroll
- Recognition of purchased services (physician clinical effort)
- General expenditures
- Non-operating revenues/grants and expenses
- Cash and investments
- Test both information technology and manual controls – incorporate use of IT specialists in the audits
- Transactions between UNM, UNM Hospitals and SRMC
- Contingencies (malpractice, payor disputes, etc.)
- Accounting for bond issue costs
- Follow up on prior year findings
- Financial reporting and presentation

# Key areas of focus – Other Component units

- Other Component Units
  - Revenue recognition (contributions, royalty revenues and other revenue sources)
  - Expenditures
  - Transactions with UNM
  - Financial reporting and presentation
  - NCAA Intercollegiate Athletics Agreed-upon procedures report
  - KNME-TV and KUNM-FM Attestation reports

# Key areas of focus – New accounting standards

## ***Summary of Statement No. 65, Items Previously Reported as Assets and Liabilities – effective July 1, 2013 with early adoption encouraged.***

This Statement establishes accounting and financial reporting standards that *reclassify*, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Requires the write-off of bond issuance costs as a reduction of beginning net position upon implementation.

## ***Summary of Statement No. 68, Financial Reporting for Pensions – an amendment of GASB No. 27 – effective July 1, 2014 with early adoption encouraged.***

The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. The University provides substantially all of its employees with pension benefits through the retirement plan administered by the NM Educational Retirement Board. This statement will require the University to record its proportionate share of ERB's unfunded pension liability.

## ***Summary of Statement No. 69, Government Combinations and Disposals of Government Operations – effective July 1, 2014 with early adoption encouraged.***

This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The term *government combinations* includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations.

## ***Summary of Statement No. 70, Accounting and Financial Reporting for Non-exchange Financial Guarantees – effective July 1, 2013 with early adoption encouraged.***

Some governments extend financial guarantees for the obligations of another government, a not-for-profit entity, or a private entity without directly receiving equal or approximately equal value in exchange (a nonexchange transaction). As a part of this nonexchange financial guarantee, a government commits to indemnify the holder of the obligation if the entity that issued the obligation does not fulfill its payment requirements. Also, some governments issue obligations that are guaranteed by other entities in a nonexchange transaction. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees.

We are working with management to understand these requirements and their application in the University's financial statements for this fiscal year.

# Timing of the Audits - UNM Main Campus

## Planned Timing of the Audit:

Planning	Interim Fieldwork (Internal Control and A-133 testing)	Final Fieldwork	Clinical Operations and Component Units Drafts due to UNM	Review Draft Financial Statement	Deliver Drafts to Office of State Auditor
May 5 (1 week)	May 12 (5 weeks)	August 11 (8 weeks)	September 15	October 6 (2 weeks)	October 20

# Timing of the Audits – Component and Other Reporting Units

Component Unit	Planning	Interim Fieldwork	Final Fieldwork	Review Draft Financial Statement
UNM Hospital	May 12 (2 weeks)	May 12 (2 weeks)	August 4 (6 weeks)	September 8 (1 week)
Behavioral Health	May 12 (2 weeks)	May 12 (2 weeks)	August 4 (6 weeks)	September 8 (1 week)
UNM Foundation	June 2 (1 week)	June 9 (1 week)	August 11 (3 weeks)	September 8 (1 week)
Alumni Association	June 9 (1 week)	June 16 (1 week)	August 11 (4 weeks)	September 8 (1 week)
Anderson Schools Foundation	June 9 (1 week)	June 16 (1 week)	August 18 (2 weeks)	September 8 (1 week)
Lobo Club	May 12 (1 week)	May 19 (1 week)	July 14 (2 weeks)	August 11 (1 week)
STC	June 9 (1 week)	June 16 (1 week)	August 11 (2 weeks)	September 8 (1 week)
Lobo Energy	June 31 (1 week)	June 31 (1 week)	August 18 (2 weeks)	September 8 (1 week)
UNM Medical Group	May 26 (1 week)	May 26 (1 week)	August 18 (2 weeks)	September 1 (1 week)
Sandoval Regional	May 12 (2 weeks)	May 12 (2 weeks)	August 4 (6 weeks)	September 8 (1 week)
Lobo Development	June 9 (1 week)	June 16 (1 week)	August 11 (2 weeks)	September 8 (1 week)
Sentencing Commission	June 16 (1 week)	June 23 (1 week)	Sept. 15 (2 weeks)	October 20 (1 week)
KNME	June 16 (1 week)	June 23 (1 week)	Sept. 15 (3 weeks)	October 20 (2 weeks)
KUNM	June 16 (1 week)	June 23 (1 week)	Sept. 15 (3 weeks)	October 20 (1 week)
NCAA report	August 18 (1 day)	N/A	October 18 (1 week)	November 18 (1 week)

# Closing

- We will communicate any significant issues encountered in connection with the audit as the audit progresses
- We appreciate any questions or concerns you may have for us during the course of the audit.

Thank you







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# Healthcare Compliance: 2014

Stuart Freedman, MPH  
HSC Chief Compliance Officer

Monica Wilson, JD, CHC  
Manager, HSC Compliance

# Topics Covered

- ▶ Enforcement Trends
    - Regulator behavior
    - Compliance analysis
  - ▶ Compliance Response
  - ▶ Get involved
- 

# Enforcement Trends

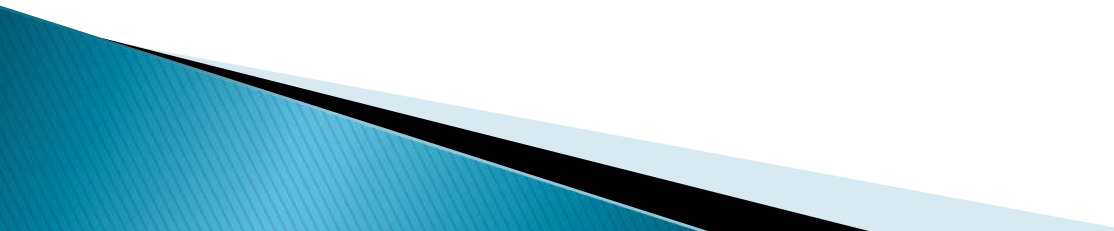


Numbers

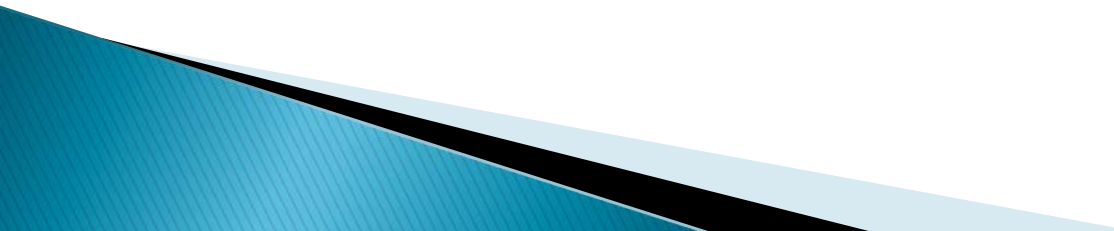
Why has it increased?

How we respond

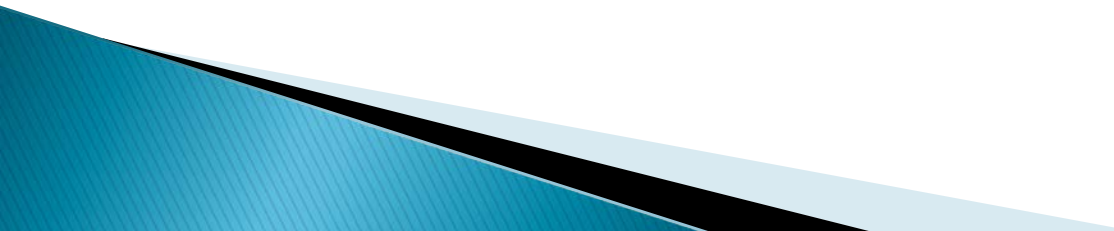
# Numbers

- ▶ Another record-setting year for the OIG:
    - \$5.6B recovered
    - 3,214 new excluded parties
    - 960 criminal actions
    - 472 civil actions
  
  - ▶ How did we get here?
- 

# OIG Behavior

- ▶ Motivations
    - Money
      - Government budget
      - Aging population
    - Headlines
      - Fraud vs. Waste vs. Abuse
      - Effectiveness
  - ▶ Looking beyond “fraud”
  - ▶ Data analytics
  - ▶ Regulatory creep
- 

# Available Information

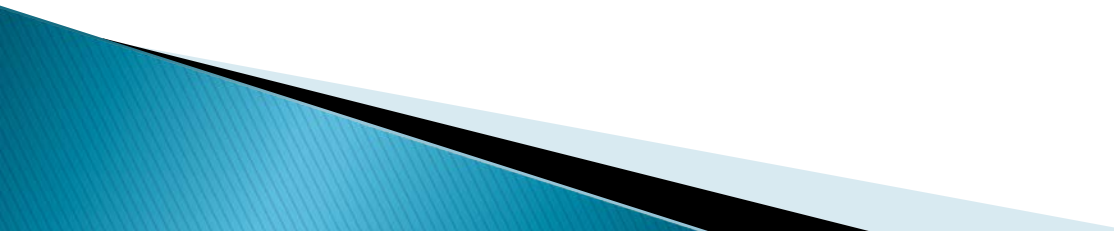
- ▶ Statutes and regulations
  - ▶ Guidance documents
  - ▶ Corporate Integrity Agreements (CIAs)
  - ▶ Presentations at conferences
  - ▶ News reports and press releases
- 

# Protecting the HSC





# Protecting the HSC

- ▶ Achievements
    - HSC Code of Ethics and training
    - Awareness
    - Hotline and incident management
  
  - ▶ Coming soon
    - Educator
    - Tone at the middle
    - Consolidation
    - Investigation processes
- 



# HSC Hotline

*Compliance – it's everyone's responsibility.*

## Ethics questions or concerns?



**If you see something,  
say something!**

# 1-888-899-6092

Our toll-free anonymous and confidential hotline  
is available 24/7, 365 days a year.

## **Chief Compliance Officer Quarterly Report**

Submitted by Helen Gonzales, Main Campus Chief Compliance Officer (CCO)  
May 23, 2014

This quarterly report to the Regent's Audit and Compliance Committee includes activity since the February, 2014 Regent's meeting.

### **Compliance Office Goals, Activity, & Accomplishments**

**Goal 1: Work collaboratively with Compliance Partners to coordinate the University's compliance efforts and ensure that they are meeting the required obligations.**

The CCO convened the quarterly Institutional Compliance Council. The meeting focused on:

1. University Compliance/Risk Committees
2. The Federal Lobbying Disclosure Act
3. Chemical Facility Anti-Terrorism Standards at UNM.
4. Campus compliance risks and internal control reviews
5. FY15 Risk Assessment Process

Council members received worksheets of their specific obligations and were instructed to review and rank the risks associated with their compliance obligations.

Met and reviewed compliance obligations with the following Partners:

- Office of Equal Opportunity
- Police Department
- Global Education Office
- Student Affairs
- IT
- Safety and Risk Services
- Communication and Marketing

**Goal 2: Assess the current controls and monitoring of the various compliance obligations. Develop a compliance directory as a regulatory inventory with the University's key requirements and present controls.**

The Compliance Office completed a list of Compliance/Risk Committees (attached) identified in University and Regents Policies. Partners have been charged with reviewing these committees and reporting to the Compliance Office whether these committees meet regularly and are fulfilling their charter.

The Compliance Directory was modified to include several changes in federal regulations. As new regulations are adopted, the Compliance Office sends the

Compliance Partners information to assist them in compliance. Partners were asked to review their compliance directories and provide feedback to the Compliance Office.

The Compliance Office has been tracking compliance violations at universities across the country. These violations will become an ongoing agenda item at Compliance Committee meetings and reports will be shared that summarize the available information.

**Goal 3: In collaboration with Internal Audit, identify compliance risks of greatest concern to the University.**

The Compliance Office worked collaboratively with Internal Audit to develop a risk assessment instrument for FY15. The Compliance Office will participate in the risk assessment process to prioritize institutional risks.

A significant amount of time this last quarter was spent on reviewing issues related to Clery Act and Title IX compliance.

## University of New Mexico Compliance/Risk Committees

<b>Compliance Partner</b>	<b>Policy</b>	<b>Committee</b>
Blair, Cinnamon; Communication and Marketing	Policy 2570; Official University Webpages	<b>Web Advisory Committee;</b> works to improve communication and cooperation among the various University entities charged with Web-related responsibilities.
Cullen, Andrew; Planning Budget and Analysis	Regent's Policy 7.21; Investment of Operational Funds and Bond Proceeds Policy 7610; Investment Management	<b>University Debt and Investment Advisory Committee;</b> responsible for oversight of the University's debt management and investment programs and responsible for distribution of investment income, monitoring investment activities and reporting the results of investment activity annually to the Board of Regents. Chair-EVP for Administration/CFO/COO <b>Strategic Budget Leadership Team;</b> The Strategic Budget Leadership Team was formed to ensure that all constituency groups had a voice in the University's budget development process. Is charged with making the final budget recommendation to the President who in turn makes his recommendation to the Board of Regents.
Edmunds, Paul; Global Education	Policy 2710; Study-Abroad Health and Safety (Draft-Education Abroad Health and Safety)	<b>Study-Abroad Advisory Committee (Draft-Health and Safety Advisory Committee);</b> developing procedures as needed for implementation of policy 2710. Chair-appointed by the President of Faculty Senate.
Faculty Senate	Regents' Policy Section 5; The Faculty and Administrative Matters	<b>Faculty Senate;</b> the University Faculty shall have the right to review and action in regard to: formulation of institutional aims, creation of new colleges, schools, departments and divisions, major curricular changes, requirements for admission and graduation and for honors and scholastic approval, approval of candidates for degrees, policies of appointment, dismissal, and promotion in academic rank, research, and general faculty welfare. Action taken by the University Faculty shall be subject to the authority of the Regents in matters involving finance, personnel and general University Policy. <b>Faculty Committees</b> <b>Faculty Policy Committee;</b> The primary role of the Policy Committee shall be to support the University's overall purpose, principles, and goals. In the interest of shared governance, the functions of the committee shall include, but not

		<p>be limited to initiating, formulating, recommending, and reviewing all polices of the University that impact the faculty.</p> <p><b>Faculty Ethics and Advisory Committee;</b> The Faculty Ethics and Advisory Committee shall advise and consult with the President of the University, the Provost/Vice President for Academic Affairs, or the Committee on Academic Freedom and Tenure regarding action to be taken, if any, where a faculty member or a graduate, teaching, research or project assistant in the course of his or her instructional or research-related duties is accused of unethical behavior as defined by the Statement of Professional Ethics (Appendix V). The committee shall also familiarize itself with the Statement on Professional Ethics. (See Appendix V, page 53, Policy on Academic Freedom and Tenure.) The committee may decide that a complaint falls outside its mandate and decline to investigate.</p>
<p>Gonzales, Gil; Information Technologies</p>	<p>Policy 2550; Information Security Policy 2560; Information Technology (IT) Governance</p>	<p><b>UNM Information Security Program;</b> to protect the confidentiality, integrity and availability of protected information, protect against anticipated threats or hazards to the security or integrity of such information and protect against unauthorized access to or use of protected information. Includes the process for identification of risks and defines responsibilities for safeguarding information.</p> <p><b>UNM IT Governance Council;</b> provides direction on IT issues, reviews, and approves the University’s IT Strategic Plan and provides a conduit for communicating IT issues throughout the University. The council consists of representatives from UNM’s executive administration appointed by the University President.</p> <p><b>UNM IT Cabinet;</b> advises and collaborates with CIO on IT strategic planning, communication, investments, policies, standards, guidelines, processes, procedures, priorities, services, and resources. IT Cabinet members are appointed by the CIO.</p> <p><b>IT Managers Council;</b> supports the development of University-wide IT policies and standards and the effective execution of collaborative, University-wide IT plans and projects. Members appointed by the CIO.</p> <p><b>IT Agent Networking Group;</b> provides supports for IT agents, facilitates cross-unit</p>

		<p>communication and collaboration, and assures Level 3 representation in IT governance. Members appointed by CIO.</p> <p><b>Enterprise Resource Planning Steering Committee;</b> Accountable for delivering increased value to the University community through the deliberate and efficient administration of UNM's mission-critical student, research and administration function.</p>
Gonzales, Helen; Compliance Office- Main Campus		<p><b>Executive Compliance Committee;</b> provides executive-level direction and guidance to the Main Campus and HSC Compliance Programs. The Committee's role is an essential component of the compliance program, focusing on UNM compliance with significant applicable legal, ethical, and regulatory requirements.</p> <p><b>Institutional Compliance Committee;</b> administrative partners with responsibility and expertise in the major compliance areas. The overall charge to this committee will be to identify and monitor compliance requirements, to identify and discuss emerging compliance issues, and to identify and communicate best practices.</p>
Guimond, Kathy; Campus Police	Policy 2210; Campus Violence Policy 6130; Emergency Control	<p><b>Incident Assessment Team;</b> supervisors must report all incidents of violence or potential violence to Safety &amp; Risk Services. Safety &amp; Risk Services must report these incidents to the Chair of the Incident Assessment Team as soon as possible. These reports will be reviewed by the University's Incident Assessment Team which has representatives from Campus Police, CARS, Dispute Resolution, Human Resources, Safety &amp; Risk Services, University Counsel, and the Health Sciences Center.</p> <p><b>UNM Emergency Management Committee;</b> responsible for ensuring that the University is prepared to deal with any incident. Chair-EVP for Administration/CFO/COO</p> <p><b>UNM Sexual Assault Response Team;</b> SART, or Sexual Assault Response Team, is part of the university's overall efforts to reduce sexual violence on campus. It is a victim centered, victim controlled coordinated response team composed of community and university organizations to quickly respond to cases of sexual violence while providing appropriate services to all parties involved. SART responders make services for victims a priority. Victims of sexual assault may choose to activate one, or all, components of the response team: medical, counseling, law enforcement, and/or the student</p>

		conduct process.
Metzger, Liz; Financial Services	Regents' Policy 7.16; Financial Exigency	<p><b>Fiscal Agent;</b> required for each Banner Level 3 Organization, to ensure all monthly accrual entries identified and submitted, explain any budget variances, to represent their organization to problem solve with Central Financial Administration.</p> <p><b>Special Committee; Financial Exigency;</b> In the event the University is threatened by a serious financial crisis which jeopardizes its mission and effective operation, the Board of Regents may declare a University-wide financial exigency to be followed by reductions in University expenditures, including reductions in force, if necessary. In making a determination of financial exigency and in approving reductions in expenditures, the Board will be guided by recommendations from the President, who shall convene a <b>special committee to advise the President on the nature and extent of the exigency and recommended courses of action.</b></p>
Nemcik, Henry; UNM Foundation	Policy 7.13; Receipt and Investment of Gifts to the University	<p><b>Foundation Investment Committee;</b> Investment management oversight, endowment and other gift funds.</p> <p><b>Development and Alumni Strategy Council;</b> the council shall advise on the coordination of the campus development and alumni efforts and major gift strategies, policies and plans. Members shall encourage development and alumni efforts by leadership and interested faculty and staff and advise on the establishment of appropriate expectations and benchmarks. Shall advise on preparations for the next comprehensive campaign and pursuit of donors beyond the State of New Mexico.</p>
Parker, Carol; Academic Affairs	Policy 5020; Historic Preservation Policy 6140 Museums and Collections	<p><b>Historic Preservation Committee;</b> The Historic Preservation Committee advises the President regarding historic resources and assists University departments in the preservation and protection of these resources. Departments and units shall consult with the Historic Preservation Committee on matters regarding the University's historic resources.</p> <p><b>UNM Museum Council;</b> responsible for reviewing museum and collection policies, and procedures to ensure compliance with the specific standards of their respective academic disciplines.</p> <p><b>UNM Economic Development Council;</b> UNM faculty and administrators who serve as a coordinating entity and think tank for the internal</p>



		<p>UNM community on economic development initiatives specifically UNM can impact the New Mexico economy.</p> <p><b>First Year Advisory Council;</b> dedicated to advancing the quality and quantity of learning community experiences on campus. Charged with the duty of approving Learning Community Applications and acts as an internal consulting team to ensure the success of academic communities at UNM.</p>
Prando-Domenici, Carla; Safety and Risk Services	<p>Policy 6100; Risk Management</p> <p>Policy 6110; Safety and Risk Services</p> <p>Policy 2210; Campus Violence</p>	<p><b>Campus Loss Control Committee;</b> works to control risk and ensure compliance with regulatory mandates. Chair-Director of Safety Risk Services</p> <p><b>University Building Coordinator Program;</b> enhances communication between building occupants and Safety and Risk services. Responsible for distributing safety and regulatory information to and from building occupants.</p> <p><b>Incident Assessment Team;</b> supervisors must report all incidents of violence or potential violence to Safety &amp; Risk Services. Safety &amp; Risk Services must report these incidents to the Chair of the Incident Assessment Team as soon as possible. These reports will be reviewed by the University's Incident Assessment Team which has representatives from Campus Police, CARS, Dispute Resolution, Human Resources, Safety &amp; Risk Services, University Counsel, and the Health Sciences Center.</p>
Provost		<p><b>Dean's Council;</b> primary leadership body and advisory council of academic officers who report to the Provost and EVP for Academic Affairs.</p> <p><b>The Provost's Diversity Council;</b> council members bring together varying levels of expertise in diversity matters, a broad cross-section of occupations/disciplines from across UNM's academic community. Members came together to improve the University's performance where diversity, equity and inclusion are concerned. Charge is to review historical documents addressing diversity at UNM and study campus climate policies and best practices addressing diversity and excellence at institutions of higher education.</p>
Romero, Carlos; Research	<p>Regents' Policy 5.10; Conflicts of Interest in Research</p> <p>Regents' Policy 5.14; Human Beings as Subjects in Research</p> <p>Regents' Policy 5.17; Conflict of Interest Waiver Policy for Technology Transfer</p>	<p><b>Institutional Review Board;</b> to promote safety and protection of individuals involved in human research by providing support, guidance, and education to facilitate ethical and scientifically sound research.</p> <p><b>Export Control Committee;</b></p>

	Policy 3720; Conflicts of Interest Faculty Handbook E110; Conflict of Interest in Research	<b>UNM Conflicts of Interest Committee;</b> peer-review committee. Members are senior faculty representing the diverse disciplines and colleges on campus, senior administrative staff with responsibility for contracts from Main Campus and HSC, as well as two outside community members. <b>Institutional Biosafety Committee;</b> from the committee is necessary to ensure compliance with federal and state regulations and guidelines concerning research hazards and their potential adverse effects on the employees, the public and the environment.
Ruggiero, Janice; Athletics	Faculty Handbook, A61.2: Athletic Council Policy 2150: Sponsorship by Alcohol Beverage Companies Policy 5200; Assignment and Allocation of Space	<b>Athletic Council Committee;</b> to formulate, maintain and review general policies pertaining to intercollegiate athletics. To support the personal and academic welfare of the student athlete, protect institutional integrity, and ensure compliance with the NCAA and affiliated conference rules. <b>Athletics Space Allocation Committee;</b> The Vice President for Athletics oversees the allocation and utilization of space owned or leased for use by the Athletic Department.
Staff Council	Policy 1150; Staff Council	<b>Staff Council;</b> provides a forum for non-faculty staff to address issues of staff concern and to make those issues known to the University
Students	Policy 1310; Student Fee Review Board Policy	<b>Student Fee Review Board;</b> student committee that meets every year to determine how student activity fees should be allocated to various organizations and resource centers on campus.
Torres, Cheo; Student Affairs	Policy 2310; Academic Adjustments for Students with Disabilities Policy 5200; Allocation and Assignment of Space	<b>Ad Hoc Committee for appeals;</b> include representatives from relevant University departments as determined on a case-by-case basis. <b>Student Union Building Board;</b> The Student Union Building Board (SUBB), together with its subcommittees, works with the Associate Vice President for Student Life to establish policy for, and to approve, the use of the Student Union Building's facilities, consistent with the SUBB's vision for the use of the building by students, faculty, alumni, University employees, and members of the community <b>Civil Campus Council;</b> made up of a diverse group of individuals including students, faculty, staff and community members who are dedicated to fostering a more civil campus here at UNM. <b>Student Health Leadership Council;</b> opportunity to interact with SHAC to help shape

		future program development and help to develop innovative solutions that keep students healthy throughout their college experience.
University Counsel		<b>Ethics, Code of Conduct</b>
Vallejos, Chris; Institutional Support Services	Policy 2100; Sustainability Policy 5200; Allocation and Assignment of Space	<b>UNM Sustainability Council;</b> develop and monitor a comprehensive sustainability plan for UNM. Chair-Director of Sustainability (to be appointed and report to the Director of the Physical Plant.) <b>The Campus Development Advisory Committee (CDAC)</b> advises the UNM administration on issues relating to the physical environment of the campus as they contribute to and affect the mission, goals and quality of life at the University. The CDAC serves as a forum for the communication and exchange of ideas and proposals regarding development on the campus and its impact on the campus community, the surrounding neighborhoods, and the City of Albuquerque. <b>Main Campus Space Allocation Committee;</b> appointed by the President to oversee the allocation and utilization of space owned or leased for use by main campus departments or institutes.
Washington, Jewel; Human Resources	Policy 3220; Dispute Resolution	<b>HR Agents;</b> role for each of the Banner Level 3 Organizations. Primary representative and liaison to the Division of HR on strategic HR matters. <b>Peer Review Panel-Dispute Resolution;</b> When Peer Hearing is requested the DR Manager will begin proceeding to identify Peer Review Panel.

Follow Up Report - May 2014 (Open Session)

Project Code	Project Name	Issue Title	Executive Recommendation	Response	Estimated Implementation Date	Recommendation Action	Actual Implementation Date	Responsible Party
<b>Recommendation State: Implemented</b>								
2013-09	PPD Review of Preventive Maintenance	Recommendation 3 - Equipment Warranty information	PPD Administration should implement the equipment warranty procedures, educate area technicians, supervisors and managers about the process, and ensure that they keep all equipment warranty information.	The Physical Plant Department has a warranty process in place. Equipment will be identified to be included in the warranty process based on major building components that require scheduled preventive maintenance per the manufacturer's specifications. PPD will additionally evaluate mission critical components, price etc.	4/30/2014	PPD provided documentation to support that warranty items on one of the three requisitions identified as having warranty items purchased have been properly documented in the TMA warranty tracing system. The work on the two other Purchase Requisitions is not complete yet. Once the work is complete the items will be entered into TMA and PPD will submit documentation to IA. In the event IA does not receive the documentation, IA will re-open the recommendation.	5/1/2014	Mary Vosevich, Director, Physical Plant
2010-13	Safety and Risk Services Follow-up	Recommendation 7 Compliance with UNM Policies and Procedures	SRS involvement during preconstruction, construction, and renovation should be reviewed by all stakeholders to determine best practices in order to address liability and future costs and maintenance issues associated with decisions made during construction planning and design.	Concur - ERM Council will appoint a Task Force headed by the University Architect to review and evaluate the proper degree of SRS involvement during preconstruction and construction. SRS will be a member of the Capital Planning Process/Retreat.	2/28/2014	Confirmed that the revised policy 6110 has been published. The policy addresses Construction Safety and Asbestos safety as per the Task Force report recommendations. Recommendation cleared.	4/30/2014	Carla Domenici, Int Dir, Safety & Risk Services
2013-27	Parking and Transportation Services Contract Renewal	Recommendation 2 - Hand written receipts - inventory	PATS should review and reconcile all paper receipts to account for all cash transactions, and ensure that all transactions are compliant with UAPP. PATS should consider including the receipts issued to each cashier on the daily close out sheet. PATS should include review of receipts in daily reconciliations.	We concur. PATS Business operations will abide by all UAPP regulations. Any and all paper receipts used in cash transactions are now reconciled daily. All paper receipts are numbered; issuance documented, and returned and accounted for daily.	1/31/2014	Follow up visit to PATS on 4/7/14 to witness the cashiers close out/reconciliation process. Noted that paper/hand written receipts are numbered, assigned by number lot to cashier and part of the end of day close out process. There were no exceptions noted in the new process. Recommendation cleared.	4/21/2014	Christine Evans, Business Manager; Barbara Morck, PATS Director
2013-27	Parking and Transportation Services Contract Renewal	Recommendation 3 - PATS internal payment plan	PATS should cease any use of special accounts receivable plans. The Vice President for Institutional Support Services should formally inform PATS staff of this recommendation and prohibit extension of special payment plans to any student.	We concur. PATS will work with the Bursar's Office in the event that a special accounts receivable plan is required to ensure the collection of monies due to PATS. PATS will not create a special accounts receivable plan within the PATS system.	1/31/2014	The VP for ISS issued a memo to PATS employees instructing that special payment arrangement plans should not be extended to anyone. Banner is the official system of financial record and all accounts receivable and payment plans should be managed via Banner through the Bursar's office. Recommendation cleared.	4/30/2014	Barbara Morck, PATS Director
2013-27	Parking and Transportation Services Contract Renewal	Recommendation 4 - Mandatory Cash handling Training	PATS should remove the two employees that do not have cash handling training from any cash handling/management duties until they complete required training. In the future, PATS should ensure that all employees that have cash handling duties receive training before they handle cash.	We concur. The two employees mentioned in this audit were Temporary Employees and assumptions were made that they had received the required Cash Handling Training from Temp Services. Both employees have now taken the mandatory training and going forward, ALL employees involved in cash handling are required to take Cash Handling Training before working with customers and/or handling cash transactions. Certification of such training will be documented in their personnel files.	1/31/2014	On 4/3/14 verified, by direct review of EOD learning history, that all PATS employees that have access to cash have completed required Cash Handling course via EOD. Recommendation cleared.	4/21/2014	Christine Evans, Business Manager; Barbara Morck, PATS Director
2013-05	HSC Cancer Research Center	Recommendation 3 - Drug Reconciliation - Reconciliation of drugs administered to billed	The Director of Pharmacy and the Oncology Finance Director should ensure that the reconciliation process includes reconciling the list that the pharmacy generates for drugs administered to the inventory listing and billing report.	The drug reconciliation is designed to ensure that all drugs identified as administered are billed. The three reports that are used in the reconciliation process are the "pharmacy inventory report", the "inventory roll-forward report" and the "usage to billing report." For clarity, this is a multi-tiered reconciliation process. The data passes multiple levels of reconciliation by Pharmacy and Revenue Initiatives before the final billing report is generated. During this process, usage and inventory anomalies were identified and removed from the billing report to prevent duplicate work at the next level. It is important to note that all potential billing variances are researched.	2/28/2014	Hospital Internal Audit completed a review of weekly report (first week of February 2014) to verify that drugs administered matched to the drugs billed and inventory report. No exceptions noted. Recommendation cleared	5/1/2014	Scott Roach, Dir Pharmacy

Follow Up Report - May 2014 (Open Session)

2013-05	HSC Cancer Research Center	<u>Recommendation 2 - Drug Reconciliation - Policies and Procedures</u>	The Director of Pharmacy and the Oncology Finance Director should establish written policies and procedures regarding the specifics of the drug reconciliation process, to include what drugs will be reconciled and how often the top drug list will be reviewed.	UNM Cancer Center has developed a formal policy surrounding the timing and the criteria of the drug reconciliation list. The Drug Reconciliation Process was revised to include a review process to incorporate data from the 80/20 purchase reports from both Cardinal Specialty and regular Cardinal purchases for the previous six months. The top 90% of all Cardinal purchases and all drugs greater than \$100 per unit will be presented to the sub-committee. The sub-committee will review the list and any exceptions will be noted and included in the minutes.	2/13/2014	The policies and procedures were updated. They now include specifics as related to what drugs will be reconciled and how often the drug list will be reviewed.	4/29/2014	Scott Roach, Dir Pharmacy
2012-06	UNM Foundation	<u>Recommendation 3 - Foundation Business Plan</u>	The Foundation should work with the UNM President to prepare a business plan in anticipation of upcoming fundraising campaigns. The plan should include forecasts for future administrative and fundraising costs, revenue sources to pay for such costs, and annual targets for the fundraising campaign.	Concur. The Foundation will work with the UNM President to prepare a business plan in anticipation of future fundraising campaigns.	12/31/2014	In January 2014, The UNM Foundation prepared a financial business plan which was approved by UNM AVP for Administration and presented to the Foundation's Executive Committee. The Executive Committee recommended the plan be reviewed and approved by the Foundation's Finance Committee. The financial business plan was approved by UNM Foundation Finance Committee and Board of Trustees at its May 2014 meeting. The approved plan reviewed by IA and appears to be reasonable. Recommendation cleared.	5/2/2014	Rod Harder – CFO, UNM Foundation

Recommendation State: Pending

Project Code	Project Name	Issue Title	Executive Recommendation	Response	Estimated Implementation Date	Last Status Update	Actual Implementation Date	Responsible Party
2013-01	<u>Review of College of Arts and Sciences Operations</u>	<u>Recommendation 4 - Tracking Retention and Graduation Rates at Department Level</u>	A process should be implemented, which provides the ability to track and monitor retention and graduation rates by the College and its departments.	The Office of Institutional Analytics has begun development of metrics to estimate retention and graduation rates at both the college and departmental levels. Furthermore, metrics will include tracking of students' ACT, SAT, School District and High School information.	5/31/2014	Institutional Analytics presented the graduation and retention metrics to the Provost Committee for Academic Success (PCAS) on February 19, 2014. This presentation included a sample of draft data which was also provided electronically to the group. A full set of metrics with corresponding data has been delivered to the Associate Provost for Curriculum for review and feedback. The metrics will then be reviewed with the Provost for acceptance. OIA is on track to implement the metrics by 5/31/14 and release the data to UNM departments for use. IA reviewed draft metrics presented to PCAS.		Terry Turner, Acting Director, Institutional Analytics
2013-10	<u>P-Card</u>	<u>Recommendation 2 - Recording and Tracking the purchase of hazardous chemicals and radioactive materials</u>	The Purchasing department and SRS should implement a system which effectively records the purchase of hazardous materials and radioactive materials, and provides all relevant information to SRS for tracking.	SRS purchased the Enterprise Re-Agent Manager (ERM) software and is implementing this software in five UNM Departments effective August 2013. This ERM software will replace ICID. ERM is a SciQuest Product that communicates with Banner. Purchasing and SRS are working as a team to populate the ERM software with data from Chemical and Research Laboratory Supplies (CRLS). SRS established a main campus Chemical and Laboratory Safety Committee and is working with the committee to attempt to implement ERM campus-wide. SRS needs the support of UNM management to promulgate policies to require the use of ERM software and the inventory of chemical and radioactive materials.	7/1/2015			Carla Domenici, Int Dir, Safety & Risk Services

Follow Up Report - May 2014 (Open Session)

2013-11	<u>UNM Medical Group</u>	<u>Recommendation 2 - Research Park Act</u>	The University Office of Government and Community Relations should work with UNMMG management to propose necessary amendments to University Research Park Act during the 2015 sixty day legislative session.	The UNM Office of Government and Community Relations will work with the HSC Leadership, Council of the University Presidents to propose legislative amendments to the University Research Park and Economic Development Act during the 2015 legislative session.	6/14/2015			Marc H. Saavedra, Director of OGCR
2013-27	<u>Parking and Transportation Services Contract Renewal</u>	<u>Recommendation 1 - Update UNM Parking Regulations</u>	The Associate Vice President of Institutional Support Services should work with the Board of Regents to revise the PATS Parking Regulations to reflect the actual parking enforcement configurations and update the other entities that handle their own parking services.	We concur. UNM PATS Parking Regulations will be updated to reflect the current parking enforcement configurations, and submitted, for approval, to the President who has been delegated authority to approve UNM Parking & Transportation Services Regulations on behalf of the UNM Board of Regents.	9/30/2014			Chris Vallejos, Avp, Bsn Plng & Svcs/Iss and Barbara Morck, PATS Director
2013-27	<u>Parking and Transportation Services Contract Renewal</u>	<u>Recommendation 5 - IT issues</u>	PATS should implement a Flex access policy requiring written and filed documentation of requests and approvals of privilege activations. PATS should ensure that they only grant appropriate persons such privilege to perform void and markdown duties. The PATS Director or Manager should independently review the privilege report.	PATS will institute a Flex Access Policy that requires documentation of level of access within T2-Flex; documentation will require the approval and signature by a Manager and the Director of PATS for implementation. The PATS Director will receive weekly privilege reports that will allow him/her to track any and all changes that have been made within T2-Flex system.	6/30/2014	On April 21, 2014 IA met with Director, IT, Finance Officer, Operations Manager of PATS, and Interim Executive Project Director of VP Institutional Support Service. PATS walked through their informal processes with IA: previous incompatible void/markdown privileges were removed, a draft policy and role/privilege request forms were developed, and several system generated reports were scheduled to be sent to PATS Director periodically. PATS is wrapping up its processes to finalize those documentation and make them available by June 30, 2014.		Barbara Morck, PATS Director
2013-05	<u>HSC Cancer Research Center</u>	<u>Recommendation 1 - EOD Training - HIPPA and Standard</u>	The Director/Chief Executive Officer of the UNM Cancer Center should work with the Cancer Center Human Resources Department and with the SOM Department Chairs (who hold primary responsibility for faculty) to ensure that all faculty and staff take the University's required training and HIPAA training courses.	UNM CC intends to address the recommendation for with the following actions. Staff: 1) CC Human Resources will retrain managers and supervisors to ensure completion of required training is accurately tracked and noted on employee evaluations. 2) CC Human Resources will work with Learning Central to develop/obtain a detailed tracking report of required training courses by employee. Faculty: SOM Chairs/Administrators for faculty who practice in the Cancer Center will work with representatives from Learning Central to ensure faculty training plans are properly loaded for faculty. SOM Department Division Administrators will work closely with Chairs to audit and track completion; the Cancer Center Director and CEO will review completion of these learning plans with critical Department Chairs to assure completion.	12/31/2014			Cheryl Willman, Cancer Center Director/CEO, and relevant SOM Department Chairs, Administrators
2013-08	<u>Foundation Distribution Donor's Intent</u>	<u>Recommendation 2 - UNM Gallup Endowments</u>	Foundation spending distributions made to UNM Gallup for scholarships should be budgeted and disbursed on an annual basis, and in compliance with donor requirements specified within donor agreements.	The scholarship committee was reorganized 8/13 to include the Int. Director of Public Affairs, Int. Director of Student Services, two faculty members, Financial Aid Mgr., Operations Mgr. for Extended University, and a community member. The committee met twice during the fall semester and awarded 25 scholarships = \$6,730. Scholarship applications for the spring semester will be sent to the students on 1/1/14. This communication will include available scholarships, eligibility requirements, and deadlines for submitting applications. In the spring of 2014, UNM-Gallup will hold a Scholarship Donor Event where the donors will be invited to meet the recipients/students that have been the beneficiaries of their generous donation. During the FY15 budget process, the revenue and reserves from these endowments will be made available to the interim Director of Student Services, so that they can track the spending of the current year's distribution and the accumulated reserves.	5/31/2014	The scholarship committee has been solidified with the appointment of a permanent Director of Public Affairs (new title – Marketing and Communications Officer) and the hiring of a new Director of Student Affairs. The scholarship committee made final awards and amounts for the Fall 2013 semester of 77 scholarships with an amount of \$62,427. For the Spring 2014 semester, the scholarship committee awarded 48 scholarships in the amount of \$59,126. The Scholarship Donor Event was held on March 6th. The FY15 budget includes all current scholarship funds and the Director of Business Operations will make available the accumulated reserves. The FY15 budget includes a .5 FTE position dedicated to scholarship oversight to ensure that all available funds are distributed and that the scholarships are processed in a timely manner. IA requested support to verify implementation of UNM Gallup's corrective action on 5/2/14.		Timothy Martin, Dir. Business Opns/Lg Branch

Follow Up Report - May 2014 (Open Session)

2013-01	<u>Review of College of Arts and Sciences Operations</u>	<u>Recommendation 2 - Process for Tracking Academic Load Requirements</u>	A process should be implemented that enables colleges to effectively track and monitor time that faculty members spend on research and public service activities to help management effectively determine if faculty members are meeting academic load requirements and workload guidelines.	Processes to enable tracking of faculty workload are in development, with a significant amount of work still to be done. Banner has a module new to version 8 called "Faculty Workload and Compensation" and a project has been created to implement the module. The module includes a self-service portion where department chairs or designees can enter and adjust faculty instructional workload values, and input non-instructional workload measures for areas such as research, public service, administrative duties, and special assignments. The implementation is in its early phase, and full implementation would require significant further work, including work by a number of units, especially Faculty Contracts, Enrollment Management, Information Technologies, and Institutional Analytics. Also, departments and colleges will have to be trained on how to use the module to input faculty workload information.	8/31/2014	The targeted completion date noted on the "Corrective Action Plan" for this recommendation was to have a plan developed for implementing a process for tracking faculty research and public service activities. Although the implementation plan was developed by 5/31/13, the actual process for tracking faculty research and public service activity has not been implemented as recommended by Internal Audit. Institutional Analytics has determined that implementation will be the fall of 2014. The revised implementation date is 8/31/14.	Banner Faculty Workload Project Team (Nancy Middlebrook, Provost's Office, project lead)
2013-15	<u>Safeguards for Protecting Private Data--Service Providers and Contractors</u>	<u>Recommendation 1 - UNM Information Security Program</u>	The CIO needs to implement the UNM Information Security Program University-wide.	Concur. The CIO will continue implementation of the Information Security Program with the advisory structure approved by the President. The CIO submitted a recommendation to the IT Governance Council UNM Policy 2560 (President, EVPs, and Chancellor) to create a University wide security council. The existing and operational UNM Information Security Program will be assigned to the appropriate advisory structure.	8/31/2014	4/28/2014 On target for early FY2015. Working group members have been identified and more meetings are being convened. The working group will define and plan the implementation of the Security and Privacy Program.	Gilbert Gonzales, Chief Information Officer
2013-15	<u>Safeguards for Protecting Private Data--Service Providers and Contractors</u>	<u>Recommendation 3 - Confidential Data Contracting and Security Review Procedures</u>	The Purchasing Department needs to work with the University Information Security Officer and the HSC Information Security Officer to develop written procedures for the review of service providers and contractors with access to confidential data. These procedures should include disclosure by the department requesting the purchase when applicable, notification via a flag in the contract management system, and certification from the service provider.	Concur. The Purchasing Department will work with the University Information Security Officer and HSC Information Security Officer to develop written procedures for the review of contractors with who have access to confidential data. Purchasing Department will work to identify a method in LoboMart for Departments to flag requisitions that provide vendors with access to confidential data. Purchasing will also develop a process that will require the service provider to certify at the end of a contract that all confidential data is either returned to UNM or destroyed.	9/30/2014	4/25/2014 Purchasing is working with the LoboMart Vendor to add a flag to LoboMart that will trigger a security review in the Banner requisition process. The LoboMart flag will be based on the departments' determination on whether the requisitioned service or product will allow access to confidential data.	Bruce Cherrin, Chief Procurement Officer
2013-15	<u>Safeguards for Protecting Private Data--Service Providers and Contractors</u>	<u>Recommendation 2 - University Information Security Function</u>	The President should give the CIO the explicit authority and responsibility to manage information security University-wide, including the decentralized computing services. The President should also ensure that the CIO has the budget to develop, implement, and enforce security policies.	Concur. The President's Office is working with the EVP for Administration, the Provost and EVP for Academic Affairs, and the Chancellor for Health Sciences on the appointment of an appropriate advisory structure. We will work with the EVP for Administration and the CIO to evaluate whether this office has sufficient budget and authority to develop, implement, and enforce security policies. The Information Security Office, through the CIO, has established a security management reporting mechanism and makes quarterly reports to senior management on the status of information security at UNM.	8/31/2014	04/28/2014 The CIO continues discussions with President Frank, the Provost, the Chancellor, and the EVP for Administration on re-establishing IT governing bodies. HSC is hiring a new CIO this spring which has a strong bearing on the governance structure. The structure may not be in place until later in FY2015.	Administrative Officer, President's Office

**Internal Audit Director’s Status Report  
Audit Committee Meeting  
May 23, 2014**

**ACTION ITEMS**

**Audit Committee Meeting Calendar for Fiscal Year 2015.** The following are proposed dates for the FY15 meetings. The Committee meets at 9:00 AM in the Roberts Room. This schedule will accommodate the exit conference for the 2014 and entrance conference for the 2015 annual financial statement audits, respectively.

- August 21, 2014
- October 16, 2014 (Exit conference 2014 audit)
- March 19, 2015
- May 21, 2015 (Entrance conference 2015 audit)

**INFORMATION ITEMS**

FY14 Audit Entrance Conference (*KPMG, Moss Adams, and Elizabeth Metzger, University Controller*)

**Audit Plan Status.** The Fiscal Year 2014 (FY14) audit plan consists of seven audits carried over from FY13. The project status and hours report for the current audit plan is at Tab #11C. The status of the plan as of May 1, 2014 is:

Completed	9
Report Writing	0
Fieldwork	4
Assigned/Planning	2
Subtotal	<b>15</b>
Unassigned/Delayed	4
<b>Total</b>	<b>19</b>

**Complaints.** Since July 1, 2013, the department received 107 reports of misconduct or fraud; as of April 28, 2014, the department has 57 open complaints.

Carry Forward from FY10	1
Carry Forward from FY12	1
Carry Forward from FY13	13
Complaints Opened in FY14	107
<b>Total Complaints</b>	<b>122</b>
Complaints Closed in FY14	65
<b>Total Open Complaints</b>	<b>57</b>



**Internal Audit Director's Status Report  
Audit Committee Meeting  
May 23, 2014**

Following is the status of open complaints:

Referred to	Total
Referred to Branch Liaison	3
Referred to Dean of Students	1
Referred to HSC Compliance	17
Referred to Human Resources	11
Referred to Internal Audit	14
Referred to IT Security	4
Referred to Office of Equal Opportunity	3
Referred to Provost	7
Referred to Purchasing	1
Referred to Safety and Risk Services	3
Referred to Student Financial Aid Office	1
Referred to UNMH Human Resources	4
<b>Total</b>	<b>69</b>

Note: An open complaint may be referred to multiple areas.  
Thus, the number of referrals will be greater than the number of complaints.

**Complaints Trend Data for FY2011 through 2014.** Attached are two graphs that show complaint trend analysis by organization and by issue types. From FY2011 through April FY2014, the department received 361 complaints with 413 different issues. Of the 413 issues, about 181 issues are personnel (Human Resources) related, about 48 are policy related, 31 are OEO related, about 69 are time sheet, fraud and theft related, 25 are healthcare related issues.

The University of New Mexico Division of Human Resources has prepared trend analysis as of May 2014 for HR related investigations, Investigations Remedies, and required training on a calendar year basis. The Interim Vice President of Human Resources will cover HR trend analysis.

**Department Financial Report.** The Fiscal Year 2014 adjusted approved budget is \$830,593, of which \$775,387 will be funds from the general pooled allocation and \$55,206 from the departmental reserve funds. At Tab 10 is the Internal Audit Department's FY14 budget status report for your review. The FY14 adjusted budget is \$842,371; actual expenditures including encumbrances are \$832,716 as of April 30, 2014, with an estimated reserve balance of \$36,000 as of June 30, 2014.

The Fiscal Year 2015 approved budget is \$838,596 of which \$776,691 will be funds from the general pooled allocation and the departmental reserve funds of \$62,000. The central budget office transferred \$178,400 during FY2013 into the central pool.

**External Audits and Reviews.** The department started receiving information regarding the external audits and reviews (third party audits) of various grants, contracts and programs by various federal and state grantors. There are eight (see attachment) other reviews underway by

**Internal Audit Director's Status Report**  
**Audit Committee Meeting**  
**May 23, 2014**

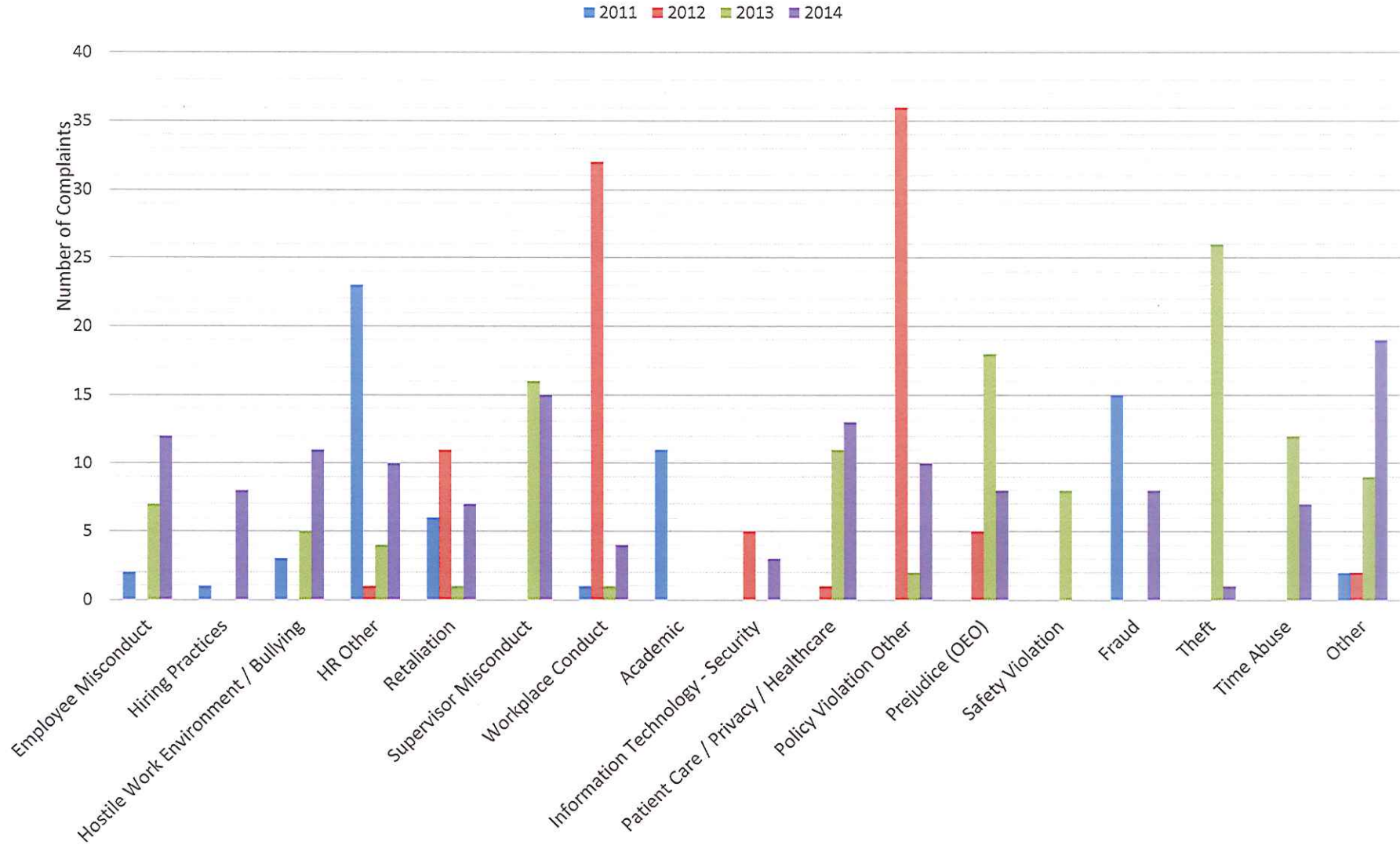
State University, National Science Foundation (\$12.1 million Biology Department grant and various other payment reviews), NSF A-133 single audit follow up letter for review by KPMG, and continuous requests from the Recovery Audit Contractor (RAC).

The University of New Mexico Hospital has received various requests from the Recovery Audit Contractor (RAC) to provide over 2,455 records related to patient billings in the amount of \$25.8 million. The RAC auditors have denied approximately \$8.6 million (1,185 records), \$11.6 million (1,194 records) are not denied, and \$1.2 million (76 records) are pending decision. The Hospital appealed \$2.5 million of which \$48,431 is approved, \$923,196 is pending decision, and \$1.6 million remains denied.

As of April 30 2014, four audits/reviews were completed without any major findings or questioned costs.

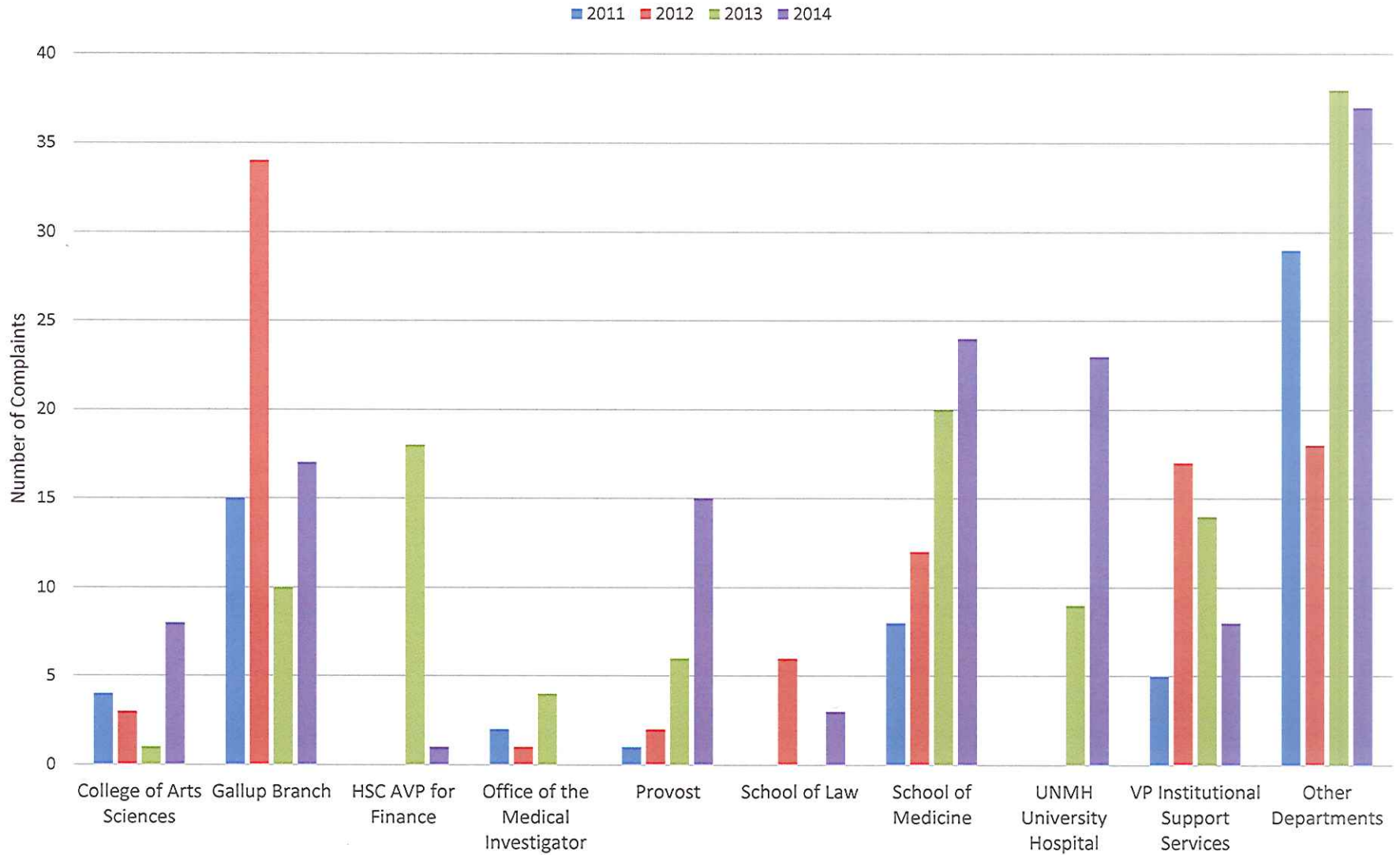
**University's Tax Reporting (Form 990) for FY2013.** The department updated information for the University of New Mexico and entities that are included as component units in the UNM audit financial statements for the fiscal year 2013. Based on the survey responses Internal Audit received (see attached memorandum), eight of the component units file Form 990 and are current in their filing requirements; UNM Medical Group received an IRS final determination ruling that excluded them from filing Form 990.

## Internal Audit Department Complaints by Type - FY2011 through FY2014 (April 28, 2014)



\*Note: Other - complaint types with few complaints were categorized under Other. Other includes internal controls, student enrollment and other complaints that fall outside the types listed above.

Internal Audit Department  
Location of Complaints by Organization - FY2011 through FY2014 (April 28, 2014)



\*Note: Other Departments - Departments with few complaints were categorized under Other Departments. Other Departments include but are not limited to College of Education, College of Fine Arts, College of Nursing, College of Pharmacy, Controller, EVP Admini

External Audits and Reviews  
As of April 30, 2014

Granting agency/entity	LA County	NSF Desk Review	NM State Library	NMSU	NSF	NSF A-133 Single Audit of Corporation for Educ Network Initiatives in CA (CENIC) -Subaward	NSF Payment Review	CMS (Patient Billings)
Contract/Grant/Program title	Various	Various	5R080 -ARRA	Various	2RC97 &2RG74 (ARRA)	2RM72	Various	Medicare
Contract/Grant period	Various	Various	Invoices 120-126	FY 13	Inception to date 8/13	10/1/2010 - 9/30/2013	FY13	various
Contract/Grant total amount	Various	Various	\$64,947	Various	\$12,143,306	\$1,962,746	Various	N/A
Contract/Grant amount - Current FY	Various	Various	NA	\$160,770		\$1,962,746	Various	N/A
Principal Investigator	Various	Various	Kathy Massengale	Various	Robert Waide	Gil Gonzales	Various	N/A
Department	Various	Various	UNM -LA	Various	Biology	IT	Various	Hospital RAC audits
Agency audit/review notification date	6/12/2013	4/16/2013	5/15/2013	8/21/2013	8/21/2013	4/18/2014	5/6/2014	Various
Audit/review entrance/visit date(s)	Remote	Remote	Remote	Remote	Remote	N/A	Remote	Remote
Audit/Exit/Final Report Issued	TBD	TBD	TBD	TBD	TBD	N/A	TBD	Continuous
Question cost, if any	TBD	TBD	TBD	TBD	TBD	A-133 Audit of Sub	TBD	NA
Audit/review major finding, if any	TBD	TBD	TBD	TBD	TBD	Refer to NSF Letter	TBD	see Comments
Corrective action plan, if any	TBD	TBD	TBD	TBD	TBD	N/A	TBD	In process
Planned implementation date						N/A	TBD	NA
Campus	Main	Main	Los Alamos Branch	All	Main	Main	All	Hospital RAC audits
Auditor if different than Grantor		McBride, Lock				NSF Audit	NSF	Connolly
Comments	<p>9/19/13 - No new update from agency, regarding their review of documentation provided by UNM</p> <p>1/31/14 - No response, UNM considers this inquiry closed.</p> <p>2/4/14 - Email response from Jackie Sakane from LA County indicating they would 'let us know if they needed anything further.'</p>					4/24/14 - Letter received from NSF regarding their A-133 review of subaward CENIC. This will be reviewed by KPMG during the FY14 Single Audit.	NSF Payment Review Only	\$25,792,276 total RAC audit (2,455 records requested) of which \$8,584,840 were denied (1,185 records) and \$16,012,469 were not denied (1,194 records) and \$1,194,967 are pending decision (76 records). We appealed \$2,535,840 of which \$48,431 was approved, \$923, 196 is pending decision, and \$1,564,213 was denied.



THE UNIVERSITY of  
NEW MEXICO

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**To:** J.E. "Gene" Gallegos, Chairman, UNM Board of Regents' Audit Committee  
Robert G. Frank, University President

**From:** Manilal Patel, Director of Internal Audit *Man*

**Date:** May 23, 2014

**Re:** Review of University of New Mexico Tax Reporting Responsibilities

Internal Audit conducted a survey of tax reporting responsibilities for the University of New Mexico and entities that are included as a component unit in the UNM audited financial statements. The surveys were sent to each organization's financial officer requesting information regarding the type of exempt organization, Form 990 filing requirements, and whether the entity was formed under the University Research Park Act. Form 990 is an annual information return that is required to be filed with the IRS by most organizations exempt from income tax under section 501(a).

Internal Audit received tax reporting surveys from the University of New Mexico and the component unit organizations. They are as follows:

- UNM Lobo Club
- Lobo Development Corporation
- Lobo Energy, Inc.
- UNM Alumni Association
- Robert O. Anderson Foundation
- UNM Foundation, Inc.
- Science Technology Corporation
- UNM Sandoval Regional Medical Center
- UNM Medical Group, Inc.

The summary of the tax survey responses for fiscal year ended June 30, 2013 are presented below:

<u>Unit</u>	<u>Return Prepared By</u>	<u>Organization</u>	<u>Unrelated Income Tax</u>	<u>Form 990-T</u>	<u>Research Park Act</u>
University of New Mexico	KPMG	Governmental	511(a)(2)(B)	Yes	N/A
<u>Component Unit</u>	<u>Return Prepared By</u>	<u>Organization</u>	<u>Unrelated Income Tax</u>	<u>File Form 990</u>	<u>Research Park Act</u>
UNM Lobo Club	Pulakos CPAs	501(c)(3) 509(a)(1)	No	Yes	No
Lobo Development Corp.	Moss Adams	501(c)(3) 509(a)(3)	No	Yes	Yes
Lobo Energy Inc.	Moss Adams	501(c)(3) 509(a)(3)	No	Yes	Yes
UNM Alumni Association	KPMG	501(c)(3) 509(a)(3)	Yes 990-T filed	Yes	No
Robert O. Anderson Foundation	Moss Adams	501(c)(3) 509(a)(3)	No	Yes	No
UNM Foundation, Inc.	BDO USA	501(c)(3) 509(a)(1)	Yes 990-T filed	Yes	No
Science Technology Corp.	Science Technology Corp.	501(c)(3) 509(a)(3)	No	Yes	Yes
UNM Sandoval Regional Medical Center	Moss Adams	501(c)(3) 509(a)(3)	No	Yes	Yes
UNM Medical Group	KPMG	501(c)(3) 509(a)(2)	No	No*	Yes

\* UNM Medical Group and their independent tax firm, KPMG, filed Form 8940 on June 5, 2013 requesting UNM Medical Group be reclassified from an organization described in IRC section 509(a)(3) to a publicly supported organization described in IRC section 509(a)(2) and confirmation that UNM Medical Group did not have to file Form 990. Internal Audit received the IRS final determination ruling regarding the UNM Medical Group's reclassification and exclusion from filing Form 990 on August 14, 2013. The IRS approved the UNM Medical Group's reclassification to a public charity status as described in section 509(a)(2) and UNM Medical Group is not required to file Form 990.

UNM income generated in the exercise of its essential government functions is excluded from income tax under Internal Revenue Code (IRC) section 115. However, IRC section 511(a)(2)(B) imposes income tax on the unrelated income activities of state colleges and universities. Accordingly, the University of New Mexico files Form 990-T to report the income and pay the

tax associated with its unrelated business activities. This may include bookstore sales, Student Union food sales, telecommunication services, catering and facility rental services.

Seven UNM component unit organizations have their Form 990 and Form 990-T (if applicable) prepared and submitted to the IRS by independent CPA firms. The Science Technology Corporation prepared and submitted their Form 990 to the IRS. Each organization type is a 501(c)(3), tax-exempt nonprofit organization.

### **509(a) Classifications**

Section 509(a)(1) primarily includes churches, schools, hospitals, and other organizations that receive their public support primarily from gifts, grants and contributions from a broad group of people.

Section 509(a)(2) classification is for organizations that receive few grants, but normally receive their fees from services. The organization must normally receive more than one-third of its support from permitted sources such as gross receipts, grants, contributions, or fees, and not more than one-third from gross investment and unrelated business taxable income.

Section 509(a)(3) classification is used for university endowment funds or organizations that provide essential services for hospital systems. A supporting organization must also be organized and operated exclusively to support specified supported organizations. It must have a relationship with the supported organization to ensure it is responsive to the needs or demands of the supported organization and involved in operations. To qualify as a public charity under 509(a)(3), an organization must be classified as a Type I - supporting organization that is under direct control of the supported organization, Type II - a supporting organization that is under common control with the supported organization, or Type III - supporting organization that is not necessarily related to the supported organization(s).

### **Research Park and Economic Development Act**

The University Research Park and Economic Development Act was enacted by the State of New Mexico to promote public welfare, prosperity, and economic development within New Mexico. The University of New Mexico uses the Research Park and Economic Development Act to further forge links between business and industrial communities and government through the development of research parks on University real property.



**Form 990 and 990-T Summaries**

Below is the summary of revenues, expenses, assets, liabilities, and net assets for UNM component unit organizations filing Form 990 for fiscal year ended June 30, 2013:

**Form 990 Summary (\$ in millions)**

	<b><u>Lobo Club</u></b>	<b><u>Lobo Development</u></b>	<b><u>Lobo Energy</u></b>	<b><u>Alumni Association</u></b>
Total Revenue	\$ 3.4	\$ 1.2	\$ 4.0	\$ 0.8
Total Expenses	<u>3.4</u>	<u>1.9</u>	<u>2.0</u>	<u>1.2</u>
Change in Net Assets	<u>\$ 0.0</u>	<u>\$ (0.7)</u>	<u>\$ 2.0</u>	<u>\$ (0.4)</u>
Total Assets	\$ 3.6	\$ 28.1	\$ 12.3	\$ 8.5
Total Liabilities	<u>3.5</u>	<u>27.7</u>	<u>9.7</u>	<u>0.0</u>
Net Assets	<u>\$ 0.1</u>	<u>\$ 0.4</u>	<u>\$ 2.6</u>	<u>\$ 8.5</u>
	<b><u>Robert O. Anderson</u></b>	<b><u>UNM Foundation</u></b>	<b><u>Science Tech Corporation</u></b>	<b><u>Sandoval Regional Medical Center</u></b>
Total Revenue	\$ 2.9	\$ 46.1	\$ 3.8	\$ 42.8
Total Expenses	<u>2.7</u>	<u>38.6</u>	<u>3.8</u>	<u>56.8</u>
Change in Net Assets	<u>\$ 0.2</u>	<u>\$ 7.5</u>	<u>\$ 0.0</u>	<u>\$ (14.0)</u>
Total Assets	\$ 3.8	\$ 181.1	\$ 1.6	\$ 175.1
Total Liabilities	<u>1.8</u>	<u>11.1</u>	<u>1.2</u>	<u>156.1</u>
Net Assets	<u>\$ 2.0</u>	<u>\$ 170.0</u>	<u>\$ 0.4</u>	<u>\$ 19.0</u>

Below is the summary for total unrelated business income, unrelated business taxable income, and total tax computation for UNM, the Alumni Association, and UNM Foundation for June 30, 2013:

**Form 990 - T Summary (\$ in millions)**

	<u>UNM</u>	<u>Alumni Association</u>	<u>UNM Foundation</u>
Total Unrelated Business Income	\$ 1.5	\$ 0.0	\$ (0.3)
Unrelated Business Taxable Income	0.4	0.0	(0.3)
Total Tax Computation	\$ 0.1	\$ 0.0	\$ 0.0

**Summary of Findings**

Based on the survey responses Internal Audit received, eight of the component units file Form 990 and are current in their filing requirements; UNM Medical Group received an IRS final determination ruling that excluded them from filing Form 990.

Each component unit organization should forward documentation of their compliance with the IRS requirement to the Internal Audit Department and the Regents' Office on an annual basis.

cc: Bradley C. Hosmer, Vice Chair, UNM Board of Regents' Audit Committee  
James H. Koch, UNM Board of Regents' Audit Committee

Index: 676000 - 113280-AUDIT DEPARTME-General Activ

Account Description	Budget (FYTD) Adopted	Budget (FYTD) Adjustments	Budget (FYTD) Accumulated	Actuals Current Month	Actuals Pct	Actuals Fiscal YTD	Actuals Pct	Encumbrances	Balance Available	Balance Pct
<b>Revenue</b>										
0340 - University Hospital Revenue!	\$0.00	\$11,778.00	\$11,778.00	\$0.00	.00%	\$11,777.50	100.00%	\$0.00	\$0.50	.00%
1640 - Allocations Pooled Allocatio!	\$766,387.00	\$0.00	\$766,387.00	\$0.00	.00%	\$766,387.00	100.00%	\$0.00	\$0.00	.00%
1900 - Reserves	\$0.00	\$0.00	\$0.00	\$0.00	.00%	\$89,555.67	.00%	\$0.00	(\$89,555.67)	.00%
1901 - Budgeted Use of Reserves	\$55,206.00	\$9,000.00	\$64,206.00	\$0.00	.00%	\$0.00	.00%	\$0.00	\$64,206.00	100.00%
1903 - Change in Reserves	\$0.00	\$0.00	\$0.00	\$0.00	.00%	\$9,000.00	.00%	\$0.00	(\$9,000.00)	.00%
<b>*TOTAL Revenue</b>	<b>\$821,593.00</b>	<b>\$20,778.00</b>	<b>\$842,371.00</b>	<b>\$0.00</b>	<b>.00%</b>	<b>\$876,720.17</b>	<b>104.08%</b>	<b>\$0.00</b>	<b>(\$34,349.17)</b>	<b>(4.08%)</b>
<b>Expense</b>										
2020 - Administrative Professional !	\$680,744.00	\$8,000.00	\$688,744.00	\$55,424.48	8.05%	\$562,007.08	81.60%	\$113,457.36	\$13,279.56	1.93%
2060 - Support Staff Salary Detail !	\$37,982.00	\$1,000.00	\$38,982.00	\$2,922.14	7.50%	\$31,881.22	81.78%	\$7,450.39	(\$349.61)	(.90%)
20J0 - Student Salaries Gen	\$20,000.00	\$0.00	\$20,000.00	\$1,894.80	9.47%	\$14,817.60	74.09%	\$0.00	\$5,182.40	25.91%
20P0 - Temporary Salary Gen	\$15,000.00	\$0.00	\$15,000.00	\$2,981.53	19.88%	\$23,228.56	154.86%	\$0.00	(\$8,228.56)	(54.86%)
3100 - Office Supplies General	\$3,500.00	\$0.00	\$3,500.00	\$66.99	1.91%	\$1,310.35	37.44%	\$0.00	\$2,189.65	62.56%
3110 - Books Periodicals Gen	\$500.00	\$0.00	\$500.00	\$47.00	9.40%	\$413.00	82.60%	\$0.00	\$87.00	17.40%
3140 - Computer Software Gen	\$3,000.00	\$11,663.00	\$14,663.00	\$0.00	.00%	\$25,685.00	175.17%	\$0.00	(\$11,022.00)	(75.17%)
3150 - Computer Supplies <\$5,001	\$100.00	\$0.00	\$100.00	\$14.00	14.00%	\$444.85	444.85%	\$0.00	(\$344.85)	(344.85%)
3180 - Non Capital Equipment <\$5,!	\$500.00	\$0.00	\$500.00	\$0.00	.00%	\$78.74	15.75%	\$0.00	\$421.26	84.25%
3189 - Computers & Servers <\$5,0!	\$0.00	\$0.00	\$0.00	\$0.00	.00%	\$2,191.27	.00%	\$0.00	(\$2,191.27)	.00%
31A0 - Business Food - Local	\$700.00	\$0.00	\$700.00	\$0.00	.00%	\$807.70	115.39%	\$0.00	(\$107.70)	(15.39%)
31C0 - Dues Memberships Gen	\$5,000.00	\$115.00	\$5,115.00	\$0.00	.00%	\$3,793.00	74.15%	\$0.00	\$1,322.00	25.85%
31J0 - Parking Permits Gen	\$600.00	\$0.00	\$600.00	\$44.00	7.33%	\$532.00	88.67%	\$0.00	\$68.00	11.33%
31K0 - Postage Gen	\$75.00	\$0.00	\$75.00	\$0.00	.00%	\$15.58	20.77%	\$0.00	\$59.42	79.23%
31M1 - Staff Recruitment Expense !	\$200.00	\$0.00	\$200.00	\$0.00	.00%	\$0.00	.00%	\$0.00	\$200.00	100.00%
3800 - In State Travel Gen	\$1,000.00	\$0.00	\$1,000.00	\$63.00	6.30%	\$828.00	82.80%	\$0.00	\$172.00	17.20%
3805 - Instate Travel-Per Diem Sta!	\$0.00	\$0.00	\$0.00	\$31.50	.00%	\$43.00	.00%	\$0.00	(\$43.00)	.00%
3810 - Instate Travel-Per Diem No!	\$0.00	\$0.00	\$0.00	\$16.80	.00%	\$16.80	.00%	\$0.00	(\$16.80)	.00%
3820 - Out Of State Travel Gen	\$6,000.00	\$0.00	\$6,000.00	\$0.00	.00%	\$1,351.84	22.53%	\$0.00	\$4,648.16	77.47%
3825 - Out State Travel-Per Diem !	\$0.00	\$0.00	\$0.00	\$0.00	.00%	\$47.40	.00%	\$0.00	(\$47.40)	.00%
3830 - Out State Trvl-Per Diem No!	\$0.00	\$0.00	\$0.00	\$0.00	.00%	\$16.65	.00%	\$0.00	(\$16.65)	.00%
39Z1 - Travel Non UNM Emp-Non !	\$0.00	\$0.00	\$0.00	\$0.00	.00%	\$0.00	.00%	\$0.00	\$0.00	.00%
6000 - Telecom Charges Gen	\$3,200.00	\$0.00	\$3,200.00	\$292.50	9.14%	\$3,595.45	112.36%	\$0.00	(\$395.45)	(12.36%)
6020 - Long Distance Gen	\$100.00	\$0.00	\$100.00	\$44.00	.44%	\$30.69	30.69%	\$0.00	\$69.31	69.31%
6060 - Voice Mail Box Gen	\$500.00	\$0.00	\$500.00	\$50.00	10.00%	\$490.17	98.03%	\$0.00	\$9.83	1.97%

Index: 676000 - 113280-AUDIT DEPARTME-General Activ

Account Description	Budget (FYTD) Adopted	Budget (FYTD) Adjustments	Budget (FYTD) Accumulated	Actuals Current Month	Actuals Pct	Actuals Fiscal YTD	Actuals Pct	Encumbrances	Balance Available	Balance Pct
6300 - Alarm System Gen	\$300.00	\$0.00	\$300.00	\$11.25	3.75%	\$112.50	37.50%	\$0.00	\$187.50	62.50%
63A0 - Conference Fees Gen	\$7,000.00	\$0.00	\$7,000.00	\$0.00	.00%	\$3,605.00	51.50%	\$0.00	\$3,395.00	48.50%
63A2 - Seminars/Training Fees	\$1,000.00	\$0.00	\$1,000.00	\$0.00	.00%	\$5,605.87	560.59%	\$0.00	(\$4,605.87)	(460.59%)
63C0 - Copying Gen	\$50.00	\$0.00	\$50.00	\$0.00	.00%	\$15.00	30.00%	\$0.00	\$35.00	70.00%
63V1 - Consultant Fees & Svcs-Fo!	\$1,000.00	\$0.00	\$1,000.00	\$0.00	.00%	\$0.00	.00%	\$0.00	\$1,000.00	100.00%
69Z0 - Other Professional Services!	\$4,000.00	\$0.00	\$4,000.00	\$666.59	16.66%	\$6,226.38	155.66%	\$3,920.92	(\$6,147.30)	(153.68%)
7000 - Plant Repairs Maintenance !	\$0.00	\$0.00	\$0.00	\$0.00	.00%	\$3,765.28	.00%	\$0.00	(\$3,765.28)	.00%
70C1 - Equip Warranties/Service C!	\$0.00	\$0.00	\$0.00	\$0.00	.00%	\$10.00	.00%	\$0.00	(\$10.00)	.00%
70E0 - Computer Hardware Mainte!	\$2,000.00	\$0.00	\$2,000.00	\$0.00	.00%	\$6,395.00	319.75%	\$0.00	(\$4,395.00)	(219.75%)
70E1 - Computer Software Mainten!	\$6,000.00	\$0.00	\$6,000.00	\$0.00	.00%	\$499.48	8.32%	\$0.00	\$5,500.52	91.68%
70F0 - Equipment Rent Expense G!	\$5,000.00	\$0.00	\$5,000.00	\$365.55	7.31%	\$3,791.08	75.82%	\$0.00	\$1,208.92	24.18%
80E0 - Contingency Budget Gen	\$13,542.00	\$0.00	\$13,542.00	\$0.00	.00%	\$0.00	.00%	\$0.00	\$13,542.00	100.00%
80K0 - Banner Tax	\$500.00	\$0.00	\$500.00	\$16.70	3.34%	\$717.18	143.44%	\$0.00	(\$217.18)	(43.44%)
80K2 - Foundation Surcharge	\$2,500.00	\$0.00	\$2,500.00	\$324.46	12.98%	\$3,518.25	140.73%	\$0.00	(\$1,018.25)	(40.73%)
<b>*TOTAL Expense</b>	<b>\$821,593.00</b>	<b>\$20,778.00</b>	<b>\$842,371.00</b>	<b>\$65,233.73</b>	<b>7.74%</b>	<b>\$707,886.97</b>	<b>84.04%</b>	<b>\$124,828.67</b>	<b>\$9,655.36</b>	<b>1.15%</b>

Index: 676000 - 113280-AUDIT DEPARTME-General Activ

Account Description	Budget (FYTD) Adopted	Budget (FYTD) Adjustments	Budget (FYTD) Accumulated	Actuals Current Month	Actuals Pct	Actuals Fiscal YTD	Actuals Pct	Encumbrances	Balance Available	Balance Pct
Total Revenue:	\$821,593.00	\$20,778.00	\$842,371.00	\$0.00	.00%	\$876,720.17	104.08%	\$0.00	(\$34,349.17)	(4.08%)
Total Expense:	\$821,593.00	\$20,778.00	\$842,371.00	\$65,233.73	7.74%	\$707,886.97	84.04%	\$124,828.67	\$9,655.36	1.15%
Net:	\$0.00	\$0.00	\$0.00	(\$65,233.73)	.00%	\$168,833.20	.00%	(\$124,828.67)	(\$44,004.53)	.00%

**Parameters:**

Index: 676000 - 113280-AUDIT DEPARTME-General Activ

Groupings:

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

# EXECUTIVE SESSION