

**SAFETY AND RISK SERVICES**  
**THE UNIVERSITY OF NEW MEXICO**

**Report 2015-05**  
**September 21, 2015**



---

**Audit and Compliance Committee Members**

Lt. General Bradley Hosmer, Chair  
Suzanne Quillen, Vice Chair  
Jack L. Fortner

---

**Audit Staff**

Manu Patel, Internal Audit Director  
Chien-Chih Yeh, Internal Audit Manager  
Avedona Lucero, Senior Auditor  
Brandon Trujillo, Internal Auditor II

---

# CONTENTS

**EXECUTIVE SUMMARY .....1**

    CONCLUSION..... 1

**INTRODUCTION.....4**

    BACKGROUND ..... 4

    PURPOSE..... 6

    SCOPE AND PROCEDURES ..... 6

**OBSERVATIONS, RECOMMENDATIONS AND RESPONSES.....7**

    ANNUAL FIRE SAFETY CAPITAL FUNDING REPORT – FIRE SUPPRESSION

    SERVICE AND SPRINKLER REPAIR ..... 7

    CASH MANAGEMENT – TIMELY DEPOSITS ..... 8

    MONTHLY REVIEW AND RECONCILIATION..... 9

    FIRE EXTINGUISHER RECONCILIATION..... 10

    SAFETY CONCERNS REPORTED TO SRS..... 11

    REPORTING TEST RESULTS ..... 12

    CONSTRUCTION SAFETY..... 13

    PEER REVIEW ..... 14

    STANDARD OPERATING PROCEDURES ..... 15

*Fire Drill*.....15

*Building Inspections*.....16

    BUILDING INSPECTION – CORRECTIVE ACTION RESPONSES ..... 16

    BUILDING EVACUATION MAPS ..... 18

    ANNUAL CRYSTALLINE SILICA TESTS..... 18

    INSURANCE CLAIM PROCEEDS ..... 19

    SRS TRAINING ..... 20

*Enterprise Re-Agent Manager (ERM) System* .....21

*CSO Training* .....21

    CHEMICAL PURCHASES AND PERPETUAL INVENTORY ..... 22

**APPROVALS .....25**

## ABBREVIATIONS

CHTM.....	Center for High Tech Materials
CRLS.....	Chemical and Research Laboratory Suppliers
CSO.....	Chemical Safety Officer
CSSP.....	Contract Specific Safety Plan
EH.....	Environmental Health Division
EH&S.....	Environmental Health and Safety
EOD.....	Employee and Organizational Development Office
EOHS.....	Employee Occupational Health Services
EPA.....	Environmental Protection Agency
ERM.....	The Enterprise Re-Agent Manager
FREM.....	Facilities Real Estate Management
FSCFR.....	Fire Safety Capital Funding Report
HTR.....	The Human Tissue Repository
IA.....	Internal Audit
LPC.....	Loss Prevention and Control
NFPA.....	National Fire Protection Association
NMED.....	New Mexico Environment Department
NTP.....	Notice to Proceed
OSHA.....	Occupational Safety & Health Administration
OSHA.....	Occupational Safety & Health Administration
PI.....	Principle Investigator
SME.....	Subject Matter Expert
SOPs.....	Standard Operating Procedures
SOW.....	Scope of Work
SRMC.....	Sandoval Regional Medical Center
SRS.....	Safety and Risk Services Department
UNM.....	University of New Mexico
UNMMG.....	University of New Mexico Medical Group

---

## **EXECUTIVE SUMMARY**

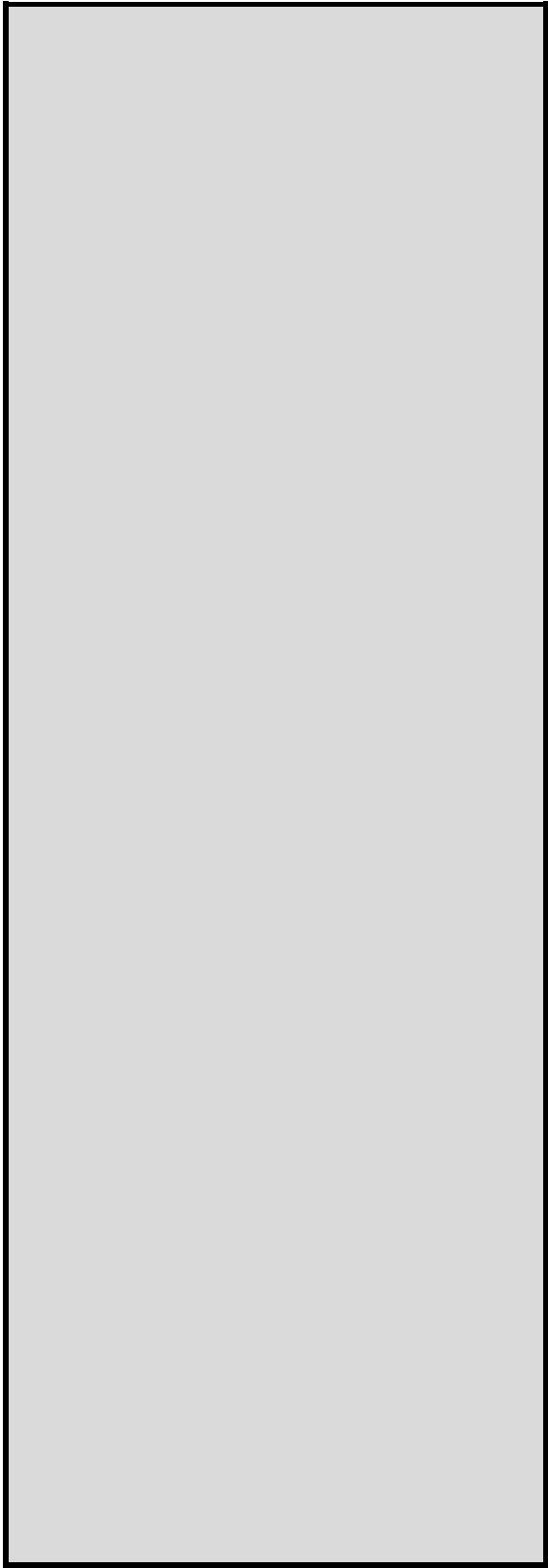
The audit is included in the FY 2015 UNM Internal Audit annual risk-based audit plan. The audit incorporated follow up recommendation items from the prior SRS internal audit Report 2010-13. There were twenty recommendations in the previous audit; this audit includes work performed to address follow up for several of those recommendations. Also included in this audit are procedures to address and review concerns expressed by various reports made via the UNM hotline.

Safety and Risk Services (SRS) covers an array of safety areas:

- Chemical Safety
- Construction Safety
- Environmental Affairs
- Ergonomics
- Fire Safety
- Industrial Hygiene
- Hazardous Materials

## **CONCLUSION**

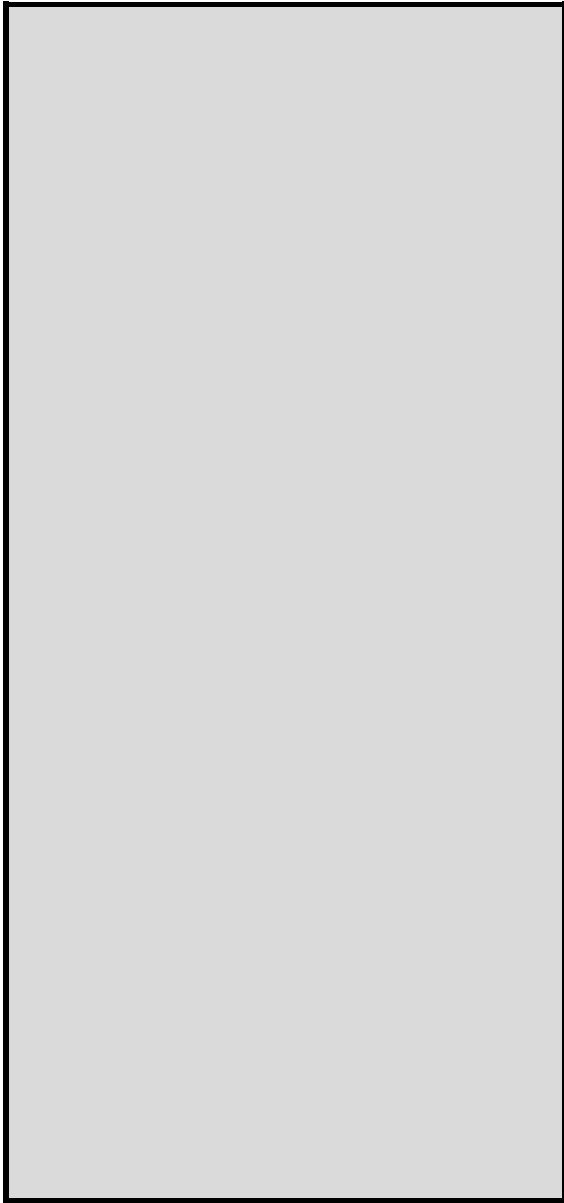
Since the 2011 SRS internal audit, SRS has worked to streamline their processes, address the recommendations made in the prior audit and strive toward long term, overall improvement. The Loss Prevention Control Committee has been reinstated and meets regularly, the Insurance Review Committee was established, SRS has been consistently issuing quarterly safety reports to University management, and they recently passed the NM State Risk Management review. Additionally, SRS organized and staffs the main campus Chemical and Laboratory Safety Committee and will be organizing and staffing the Fire Safety Capital Outlay Committee beginning in August 2015. Undergoing a peer review should provide key information that will help to inform SRS regarding industry practices that will enhance efficiency and improvement in key areas. The following are



recommendations noted in the report that are aimed to improve upon current SRS practices or direct attention to key areas:

**Key Recommendations**

1. Fire Extinguisher Reconciliation - The Director of SRS should ensure that invoices provided by the fire extinguisher contractor, currently Safety Flare, are reconciled to the master fire extinguisher inventory list. Any discrepancies should be addressed and resolved.
2. Safety Concerns Reported to SRS - The Director of SRS should develop and document a process for investigating safety concerns reported to SRS. The process should include detailed use of TMA or similar software to ensure that a clear audit trail from the date of report to final disposition is noted.
3. Peer Review - SRS should participate in regular peer reviews, including one in the next 12 months, in order to gain insight and efficiency through interaction with similar and/or peer institutions.
4. Building Evacuation Plans - The Executive Vice President for Finance and Administration should ensure that the SRS Director complete the comprehensive set of building evacuation plans by December 31, 2015 as per the 2011 internal audit response. In addition, SRS should provide the Planning and Campus Development Office with a copy of the plans upon completion.
5. Insurance Claim Proceeds - The Director of SRS should ensure that SOPs related to insurance claim receipts are updated to reflect a standardized process for receipt and distribution of warrants related to Sandoval Regional Medical Center (SRMC), University of New Mexico Hospital (UNMH) and University of New Mexico Medical Group (UNMMG) claims.
6. SRS Training –



(a) SRS should provide Learning Central with a list of:

- Chemical Safety Officers (CSOs) on an annual basis to ensure that CSO and Enterprise Re-Agent Manager (ERM) training becomes part of their required annual Learning Central training courses.
- Principle Investigators (PIs) and PCard holders who make chemical purchases to ensure that ERM becomes part of their required annual Learning Central training courses.

(b) The University President should send a directive to CSOs, PIs and PCard holders identified to make chemical purchases to comply with their annual requirements to complete CSO and/or ERM training. They should be reminded of the importance to ensure lab safety and accurate chemical labeling and inventory.

---

## INTRODUCTION

### BACKGROUND

Safety and Risk Services (SRS) covers an array of safety areas. The following is a brief synopsis of the areas as communicated via the SRS webpage (<http://srs.unm.edu>) and the Director of Safety and Risk Services:

#### Chemical Safety

The Chemical Safety staff provides a variety of services to the UNM academic and research community. These services include, but are not limited to; staffing the main campus Chemical and Laboratory Safety Committee, overseeing revisions to the Chemical Hygiene Plans, overseeing the campus wide inventory of chemicals, hazardous chemical waste and infectious waste management advice, spill response assistance, hazardous materials transportation guidance, waste minimization advice, hazard communication guidance, chemical storage advice, homeland security chemicals-of-interest guidance, Enterprise Re-Agent Manager (ERM) training, and chemical safety officer training.

#### Construction Safety

SRS deals with a wide variety of occupational safety concerns regarding working conditions, building code requirements, work procedures and accident investigations. They perform periodic inspections of campus buildings for compliance with fire codes, OSHA regulations and general unsafe actions or conditions.

In 2013, the Construction Safety Manual was developed by SRS to help reduce UNM's liability by clearly communicating the selected contractor's health and safety responsibilities prior to construction and throughout the project. In 2014, at the Facilities Management Group meeting (FMG), SRS presented the Construction Safety Manual to the committee and explained the how this document can greatly reduce UNM's risk throughout the construction process. FMG agreed to allow SRS to proceed using this guidance on one pilot project at Clark Hall.

#### Environmental Affairs

The Environmental Health Group at SRS oversees several environmental permits and programs at UNM including the Title V permit, the Watershed Basin Permit and the asbestos remediation and abatement program. This group is responsible for complying with permit requirements, revising permits as the University uses change, overseeing campus inspections, preparing reports and serving as a resource for the campus community. This group also oversees the N-95 fit testing and certification program. Further, this group oversees air quality monitoring and testing campus-wide. It works with certified industrial hygienists to provide advice to researchers on protocols, personal protective equipment and safety

measures. This group is also responsible for the testing and certification of biosafety cabinets and fume hoods.

### Ergonomics

In 2013, SRS redesigned and improved its ergonomics program. It trained and certified its staff and worked to develop a more informative webpage. Further, SRS worked with vendors to bring furniture to SRS so employees can test out furniture that best fits their needs. Most importantly, SRS now has one of its claim specialists oversee ergonomics so that the link between ergonomic evaluations and workers' compensation claims now occurs.

### Fire Safety

The SRS Fire Safety Group is responsible for many aspects of fire safety. This group is responsible for Clery Act compliance with respect to fire safety, it oversees the regulations of special events on campus, it provides fire extinguisher and other fire safety training, it conducts fire evacuation drills campus wide, it drafts and posts building evacuation maps, and it insures that campus fire extinguishers, fire suppression systems and fire alarm systems are tested. This Group also interact with Albuquerque Fire Department (AFD) to insure a prompt response to campus emergencies. It also provides service to branch campuses and communicates with the local fire departments in branch campus communities.

### Industrial Hygiene

The goal of Industrial Hygiene is to anticipate, identify, evaluate and control exposure to occupational health hazards, and thereby promote, create, and maintain a workplace free of recognized health hazards (chemical and physical) for faculty, staff, students and visitors.

### Hazardous Materials

The Hazardous Materials staff provides a variety of services to the UNM academic and research community. These services include, but are not limited to; hazardous chemical waste management advice, spill response assistance, hazardous materials transportation guidance, waste minimization advice, polychlorinated biphenyls disposal advice, hazard communication guidance, chemical purchasing and storage advice, homeland security chemicals-of-interest guidance, cryogenic liquid safety training, and chemical safety officer training.

Since the prior internal audit, SRS has made strides toward long term, overall improvement. The Loss Prevention Control Committee has been reinstated and meets regularly, the Insurance Review Committee was established, SRS has been consistently issuing quarterly safety reports to University management, and they recently passed the NM State risk management review. Additionally, SRS organized and staffs the main campus Chemical and Laboratory Safety Committee and will be organizing and staffing the Fire Safety Capital Outlay Committee beginning in August 2015.



## **PURPOSE**

The audit is included in the UNM Internal Audit annual risk-based audit plan. The audit incorporated follow up recommendation items from the prior SRS internal audit Report 2010-13. There were twenty recommendations in the previous audit; this audit includes work performed to address follow up for several of those recommendations. Also included in this audit were procedures to address and review concerns expressed by various reports made via the UNM hotline. The following are some of the major areas that the audit focused on:

- Fire safety – evacuation plans and fire drill procedures
- SRS involvement in construction safety
- Chemical purchases and inventory
- Adequate training, expertise and certification for various SRS employees

## **SCOPE AND PROCEDURES**

The majority of the audit focused on SRS operations during FY 2014. Audit procedures included but were not limited to the following:

- Interviews with SRS Director, managers and staff.
- Interviews with various persons who expressed concerns via UNM hotline about SRS operations.
- Review of key SRS staff certifications and license requirements.
- Review of SRS monthly financial operations procedures.
- Review of regulatory agency inspection reports for federal and state compliance issues within SRS safety program.
- Review of documentation to determine status of audit recommendation made in the internal audit report 2010-13.

---

## OBSERVATIONS, RECOMMENDATIONS AND RESPONSES

### ANNUAL FIRE SAFETY CAPITAL FUNDING REPORT – FIRE SUPPRESSION SERVICE AND SPRINKLER REPAIR

The prior Safety and Risk Services internal audit, Report #2010-13, identified concerns regarding UNM’s fire safety program. The audit noted the necessity to make it a priority to upgrade the Fire Safety Program.

UNM Administration concurred with the recommendation as part of the corrective plan and committed SRS to completing an annual Fire Safety Capital Funding Report (FSCFR) to be formally presented to the Board of Regents. SRS completed the FY2012 and FY2013 FSCFRs and is working to complete a combined FY2014-15 FSCFR.

The FY2012 FSCFR identified five year flushing services totaling \$162,500 that needed to be addressed. The report was provided to UNM Administration and the Board of Regents. IA did not receive documentation to support that the suggested services were completed.

#### Recommendation 1

The Director of Safety and Risk Services should ensure that all five year flushing services identified in the FY2012 and FY2013 FSCFRs are addressed.

#### Response from the Director of Safety and Risk Services:

Action Items
<i>Targeted Completion Date: December 31, 2015</i>
<i>Assigned to: Manager, Administrative Operations</i>
<p><b>Corrective Action Planned:</b> <i>The SRS Fire Safety Budgets attached to the FY 2012 and 2013 FSCFRs include the services SRS staff anticipated would be necessary for code compliance. It is important to note that at the five year mark suppression systems undergo obstruction investigation and if necessary flushing. NFPA 25 requires five year obstruction inspections. Based on the findings of the obstruction inspection the vendor either flushes the system or waits five more years. All UNM buildings have undergone the obstruction inspections. Only buildings requiring the flushing will undergo that costly process. SRS will forward documentation of obstruction investigations and flushing during the time frame in question.</i></p> <p><i>SRS is now going to approach the preparation of the FSCFR in a more comprehensive and deliberate manner by forming the SRS Fire Safety Committee. Instead of including the items that SRS staff found to be of high priority, the work of this committee will provide a forum for campus stakeholders to identify, discuss and vote on priorities.</i></p>

**Recommendation 2**

The Director of Safety and Risk Services should ensure that FSCFRs are completed annually and presented to the Board of Regents per the commitment in the response to the prior audit finding.

*SRS provided a copy of the combined FY 2014-15 Fire Safety Report.*

**Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<b><i>Targeted Completion Date: June 30, 2016</i></b>
<b><i>Assigned to: Director, Safety &amp; Risk Services</i></b>
<b><i>Corrective Action Planned: The Director of Safety and Risk Services agrees to do so. Due to changes in the Fire Safety Program, SRS will be issuing a combined FY 2014-2015 report. Beginning in FY 2016, SRS has formed and will staff the SRS Fire Safety Capital Committee. The purpose of this committee is to involve campus stakeholders in the identification and prioritization of fire capital needs. This committee will identify and vote on priorities that will be included in future FSCFRs. Otherwise, the items included in the report are based solely on the SRS staff's opinions and observations. SRS will also obtain input from the PPD Asset Condition Evaluation project whose goal is to inspect assets and develop BR&amp;R funding requests. SRS has a representative involved in the PPD project.</i></b>

**CASH MANAGEMENT – TIMELY DEPOSITS**

IA judgmentally selected twelve SRS money lists to test that deposits are made in a timely manner. A money list serves the purpose that a deposit slip does for a personal checking account. The total amount deposited by a money list may include a single check or multiple checks. Per the money list sample, IA found that SRS did not deposit two of the checks by the following working day. Neither of the checks was larger than \$100,000; one check was for \$566.43, and the other was for \$399.20. SRS does have accounting procedures that comply with University policy.

According to Section 2, “Cash Management” UAPPM Policy 7200, “Monies received should be deposited at the University Cashiers Department intact by the next working day following receipt.” In addition, Section 2.2, Checks Larger Than \$100,000, states, “For investment purposes, it is desirable to deposit large checks in the bank as quickly as possible.”

**Recommendation 3**

The Director of Safety and Risk Services should work to adhere to University policy in order to avert untimely deposits and the risk of loss of investment funds should the undeposited funds be of substantial amounts, i.e. amounts larger than \$100,000.

**Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: September 30, 2015</i>
<i>Assigned to: Manager, Administrative Operations</i>
<i>Corrective Action Planned: SRS hired a Manager, Administrative Operations, a Financial Analyst, an Accountant III and an Administrative Assistant II to oversee all financial transactions at SRS. All cash transactions are now handled by this group. Further, this group drafted a robust cash management standard operating procedure that is strictly adhered to.</i>

**MONTHLY REVIEW AND RECONCILIATION**

There is no documented evidence to support that the Director of SRS is reviewing expense reports on a monthly basis, as per the response to audit finding #19 in the prior audit report, #2010-13. IA selected a judgmental sample of six disbursement transactions to test various review and approval attributes. The six individual transactions occurred in five different months. As a result of the prior internal audit, IA tested to verify that the Director of SRS is reviewing and approving monthly reports; none of the five “Monthly Manager Reports” contain evidence of review by the SRS Director.

The responsibility for University business and administrative functions is outlined in Section 1, “Responsibility and Accountability for University Information and Transactions.” Policy 2000, UAPPM states that:

Deans, directors, and department heads will define departmental approval processes and designate individuals in their organizations who are authorized to process business and administrative transactions. This policy defines the specific responsibilities of individuals who request, initiate, approve, and/or review business and administrative transactions and reports.

The risk that charges to SRS accounts are made in error or that they are overcharged increases if there is not documentary evidence that the accounts have been reviewed and reconciled on a monthly basis.

**Recommendation 4**

The Director of SRS should review deposit, distribution, and expense reports on a monthly basis, preferably within fifteen days after end of month. The Director of SRS should initial and date these reports as evidence of review.

**Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: October 30, 2015</i>
<i>Assigned to: Director, Safety and Risk Services</i>
<i>Corrective Action Planned: The Director will task the Financial Analyst to maintain a filing system containing the following monthly documents: PCARD reconciliation, Operating Ledger Summary, Operating Ledger Detail by Index and initial, payroll summary, bills processed. The Director will sign and date each month to confirm review. The managers will sign and date the reports for the indices each one manages.</i>

**FIRE EXTINGUISHER RECONCILIATION**

SRS has a contract for all services and replacement of fire extinguishers. The contractor bills SRS monthly for inspections completed during the prior month. IA test work verified that the contractor is completing the annual and monthly inspections. During test work, IA discovered that the serial numbers for two of the ten fire extinguishers verified for the annual and monthly inspections had different serial numbers than the ones indicated on the master fire extinguisher inventory list provided by SRS.

The Fire Extinguisher contract with Safety Flare Section 3.3 states:

At each billing cycle the contractor shall supply the University with an invoice and an attached list of inspected units that includes: fire extinguisher serial numbers, fire extinguisher sizes, class code, number of units, and location of extinguishers.

Absent a thorough reconciliation of the billing invoices to the list of known fire extinguishers, there is potential for miscount and overbilling for an incorrect number of fire extinguishers.

**Recommendation 5:**

The Director of Safety and Risk Services should ensure that invoices provided by the fire extinguisher contractor are reconciled to the master fire extinguisher inventory list. Any discrepancies should be addressed and resolved.

**Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: June 30, 2016</i>
<i>Assigned to: Manager, Administrative Operations</i>
<i>Corrective Action Planned: For the past several months, SRS has been in the process of purchasing a fire extinguisher software. It has involved UNM IT in this process to insure success. This purchase will likely occur in the next few months. The software will provide for an accurate and current reconciliation. It may also allow SRS to conduct monthly inspections in-house and only use vendor services for annual inspections. SRS will install the software, complete a pilot area of buildings and begin to stagger annual inspections. IA will be invited to a demonstration of processes during the pilot phase.</i>

**SAFETY CONCERNS REPORTED TO SRS**

SRS does not have a consistent process for documenting safety concerns reported to them, how the concerns are investigated, or the final disposition of those issues. IA reviewed thirteen reported safety concerns. In six of those cases, IA could not verify that the person who expressed the concern was notified of the final investigation results. Overall, IA could not:

- Determine the timeliness of SRS responses to safety incidents reported to them, because the report does not have a date of completion noted.
- Consistently determine the disposition of the concern, as the report does not have a disposition column and does not consistently report the disposition.

SRS does have access to an online interactive web-based work request and work order tracking system, referred to as TMA that can be used to log incidents, track investigative processes, and document outcomes. SRS does utilize TMA in some instances; however, when a concern is reported to SRS by phone or email, SRS does not create an incident log via TMA.

**Recommendation 6:**

The Director of Safety and Risk Services should develop and document a process for investigating safety concerns reported to SRS. The process should include detailed use of TMA or similar software to ensure that a clear audit trail from the date of report to final disposition is noted. The process should specifically include the requirement to notify the person who expressed concern about the final outcome.

**Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: June 30, 2016</i>
<i>Assigned to: Manager, Insurance &amp; Claims, Manager, Environmental Health, Manager, Administrative Operations</i>
<i>Corrective Action Planned: SRS will work with PPD ISS to train and re-train its employees on TMA. Ideally, TMA can serve as the software for tracking the work and response of SRS staff. SRS will continue to use TMA through June 30, 2016. If the results are not improved, then it will consider the purchase of a software more specifically designed to occupational safety needs.</i>

**REPORTING TEST RESULTS**

As a result of concerns raised regarding specific air quality reports, IA reviewed the timely completion and reporting of three specific test results. IA found that in the following two instances, SRS did not report test results to the persons that may have been affected in a timely manner:

- Test results of Arsenic and Beryllium levels at the Center for High Technology Materials (CHTM) were completed and reported to SRS in August 2012; those results were never reported to employees at CHTM. SRS performed a repeat/corrected test in March 2013. According to correspondence from SRS, the results of the March 2013 report were communicated to one of the CHTM lab personnel members.
- Test results of formaldehyde levels at the Human Tissue Repository (HTR) were not reported within 15 days of receipt. Note - the report acknowledges that the results are not timely and states that is was due to the separation of two SRS employees. SRS states that the response time will improve in the future.

Occupational Safety & Health Administration (OSHA) 1910.1018(e)(5)(i) states:

The employer must, within 15 working days after the receipt of the results of any monitoring performed under this section, notify each affected employee of these results either individually in writing or by posting the results in an appropriate location that is accessible to affected employees.

The Director of Safety and Risk Services informed IA that reporting procedures have changed since the dates of the reports listed above. According to the Director, SRS now contracts with a vendor to conduct testing, the reports are sent to Employee Occupational Health Services

(EOHS), as well as the area managers, supervisors, and employees involved. Although it would appear that SRS has addressed the concern, IA believes that this is a serious safety concern that should be regularly addressed and closely monitored.

### **Recommendation 7:**

The Director of Safety and Risk Services should ensure that the results of any monitoring tests for hazardous material levels performed are communicated according to OSHA 1910.1018(e)(5)(i). Documentation of report distribution should be kept with the report to facilitate a clear audit trail.

### **Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: June 30, 2016</i>
<i>Assigned to: Manager, Environmental Health</i>
<i>Corrective Action Planned: The SRS Environmental Health Manager will develop standard operating procedures to insure the results of air quality monitoring are communicated according to OSHA 1910.1018(e)(5)(i). Documentation of report distribution should be kept with the report to facilitate a clear audit trail.</i>

## **CONSTRUCTION SAFETY**

In order to reduce the risk of construction safety concerns, SRS has a Construction Safety Manual. The manual provides specific direction to ensure that SRS is part of the construction process. IA performed a cursory review of the one construction project subject to the guidance of the Construction Safety Manual to ensure compliance with SRS's involvement in construction projects according to the manual. IA was not provided documentary evidence that SRS staff:

- Attends pre-bid meetings
- Approved the Contractor Specific Safety Plan (CSSP)
- Sent a Notice-To-Proceed after approving the CSSP

The Safety and Risk Services Department Construction Safety Manual states:

The objective of this manual is to enhance construction safety awareness and mitigate hazards associated with construction work activities to employees, UNM, the public, and the environments. The goal of this manual is to ensure compliance with all requirements of the Occupational Safety and Health Administration (OSHA), the Environmental Protection Agency (EPA), New Mexico safety, health



and environmental laws and New Mexico Environment Department's (NMED) regulations, and UNM safety-related policies and procedures for construction work.

The following specific provisions from the Construction Safety Manual govern the requirements for the deficiencies noted:

- 5.5 Contractor submits Contract Specific Safety Plan (CSSP) and receive UNM – SRS approval before notice to proceed is provided.
- 6.2.6 SRS- Construction SME representative attends pre-bid meeting with prospective bidders to summarize Construction Safety Requirements and answer questions from bidders
- 6.2.8.3 CSSP (Contractor Specific Safety Plan) approval notice is sent by SRS to UNM-PM, that the Notice-To-Proceed (NTP) can be issued from a Safety Health and Environment perspective.

### **Recommendation 8:**

The Director of Safety and Risk Services should require that SRS participate in all construction projects as directed by the Construction Safety Manual. As a documentary audit trail, SRS should collect and keep documentation that they attended the pre-bid meetings, approved the CSSP, and sent the Notice-To-Proceed after approving the CSSP.

### **Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: June 30, 2016</i>
<i>Assigned to: Managers, Environmental Health and Manager, Administrative Operations</i>
<i>Corrective Action Planned: SRS will insure that its staff attend all construction and remodel meetings. Further it will insure that the documentation requirements set forth in the Construction Safety Manual are adhered to by SRS staff.</i>

### **PEER REVIEW**

Current higher education best practices recommend an Environmental Health & Safety (EH&S) peer review; however, UNM has not participated in an EH&S peer review since 1994.

IA recommended in the prior internal audit that SRS complete a peer review within 12 months, with a targeted completion date of November 2011. SRS accepted this recommendation. SRS requested and was granted an extension to 2013. A current request to extend the date to July

2017 appears to be unreasonable, considering SRS had ample time to schedule a peer review in the past three fiscal years.

**Recommendation 9:**

SRS should participate in regular peer reviews, including one in the next 12 months, in order to gain insight and efficiency through interaction with similar and/or peer institutions.

**Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: December 30, 2016</i>
<i>Assigned to: Director, Safety &amp; Risk Services</i>
<i>Corrective Action Planned: SRS will complete the peer review in the time-frame set forth.</i>

**STANDARD OPERATING PROCEDURES**

Standard operating procedures (SOPs) identify how policies are to be implemented to ensure compliance with University policies, departmental policies, and federal and state laws. Written procedures are used to establish what should be done, as well as how, when and by whom. The procedures normally identify the step-by-step processes of how to implement and carry out the policy including identifying the specific tasks, and clarifying roles and responsibilities. They should be used to provide consistency in the processes, which can increase overall efficiency. Procedures can also be used to improve communications, establish strong internal controls for regulatory compliance, and standardize bookkeeping to help reduce waste, fraud and abuse.

Well-defined SOPs can be used to provide orientation and training for new employees and to refresh the skills of current employees. In addition, they can reduce the risk of confusion, the potential for litigation, provide easier transition in an organization that is experiencing a large amount of turnover, and provide documentation for auditors and program reviewers.

SOPs should be widely accessible. This will provide employees with the information needed to make effective decisions at the most appropriate level, streamline administrative processes, and provide the basis for individual and departmental accountability.

**Fire Drill**

SRS has not finalized and communicated an SOP for the execution of fire drills to persons at SRS that are conducting the fire drills.

Fire drills provide guidance on the orderly evacuation of a University building during an emergency. SRS is conducting regularly scheduled fire drills and the process includes a standardized checklist/form to document observations of each drill.

*SRS provided a copy of the fire drill SOP at the Exit Conference. This item is considered complete, no further action required.*

### **Building Inspections**

Through review of the standardized and thorough inspection checklist, IA confirmed that SRS is completing building inspections. SRS has not finalized and communicated an SOP for the building inspection process.

Regular building inspections can be a helpful preventative measuring tool. They can detect areas of concern that must be addressed to ensure the safety of building occupants by reducing the risk of accidents through early detection and correction.

### **Recommendation 10:**

The Director of Safety and Risk Services should finalize, document, and communicate thorough building inspection SOPs with SRS staff.

### **Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: December 31, 2015</i>
<i>Assigned to: Manager, Administrative Operations, Manager, Insurance and Claims, Manager, Environmental Health</i>
<i>Corrective Action Planned: SRS will prepare an SOP for Loss Prevention and Control Inspections.</i>

## **BUILDING INSPECTION – CORRECTIVE ACTION RESPONSES**

As a result of concerns raised regarding whether Loss Prevention and Control (LPC) building inspections were conducted by SRS in a thorough manner, IA reviewed a sample of building inspections. The building inspections reviewed represented all areas of the University, including branch campuses.

IA's review of the standardized and thorough inspection checklist confirmed that LPC inspections are completed. However, there is not completed documentation that SRS is communicating inspection results to the responsible building personnel so that concerns can be addressed. Upon inquiry, SRS stated that the practice of notifying the supervisory person most immediately responsible for the operations of the building had been discontinued. In addition, the building inspection checklists do not have a copy of the corrective action response attached. IA could not determine that areas of concern as noted on building inspection documentation is properly communicated to persons responsible for the particular building safety or that the areas of concern were addressed.

NMAC 1.6.4 State Loss Prevention and Control Program 1.6.4.11 (D) Self Inspection and Audit Requirements states:

For each noted unsatisfactory condition, corrective action shall be taken or initiated as soon as possible. A written response shall be made describing the correction action taken or the action plan intended to address the issue. The supervisor person most immediately responsible for the operation in which the unsatisfactory condition is found shall write the response as promptly as possible, but no later than thirty (30) days of the time the condition is brought to his or her attention. Corrective action documentation shall be attached to the self-inspection report for audit.

**Recommendation 11:**

The Director of Safety and Risk Services should ensure that concerns noted by LPC inspections are communicated to the supervisory person most immediately responsible for the operations, and that a corrective action response is received according to NMAC 1.6.4. SRS should document the follow up process to ensure that noted deficiencies are corrected as stated by the corrective action response.

**Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: December 31, 2015</i>
<i>Assigned to: Manager, Administrative Operations, Manager, Insurance and Claims, Manager, Environmental Health</i>
<i>Corrective Action Planned: The Loss Prevention Control Coordinator and two Co- Coordinators will insure that LPC inspection reports are communicated to stakeholders.</i>

## BUILDING EVACUATION MAPS

Safety and Risk Services reported that as of April 6, 2015, they have completed 45% of the evacuation plans (139 of 307 buildings). An internal audit of Clery Act compliance completed in 2014 noted the federal requirement to have a documented plan for campus building evacuations. At that time it was recommended that a comprehensive set of evacuation plans for every building on campus be completed and posted. The Executive Vice President for Finance and Administration concurred and committed to completing the task by December 31, 2015.

During the course of this audit, the Planning and Campus Development Office informed Internal Audit that they have worked with various personnel at SRS, providing access to their records in order to assist SRS with completing this task. The Planning and Campus Development Office stated that upon completion of each building evacuation plan, it would be helpful to have the plan of record housed at the Planning and Campus Development Office.

### Recommendation 12:

The Executive Vice President for Finance and Administration should ensure that the SRS Director complete the comprehensive set of building evacuation plans by December 31, 2015 as per the 2011 internal audit response. In addition, SRS should provide the Planning and Campus Development Office with a copy of the plans upon completion.

### Response from the Executive Vice President for Finance and Administration:

<b>Action Items</b>
<i>Targeted Completion Date: December 31, 2015</i>
<i>Assigned to: Manager, Administrative Operations</i>
<i>Corrective Action Planned: SRS will meet this deadline and provide the maps to the Planning and Campus Development Office.</i>

## ANNUAL CRYSTALLINE SILICA TESTS

As a result of a concern raised regarding preemptive measures to ensure lab safety via annual Crystalline Silica level tests in specific labs, IA asked SRS if they are currently conducting said tests on an annual basis. SRS informed IA that they no longer perform Crystalline Silica tests annually.

OSHA does set an exposure limit for silica; however, it does not speak to how often testing should occur to show that levels are below exposure limit. Annual testing is not required by OSHA. SRS did inform IA that best practice would encourage annual testing and would be effective loss prevention and control technique.

**Recommendation 13:**

The Director of Safety and Risk Services should work with chemical safety committees to identify areas of risk related to exposure and inhalation and determine what are the most appropriate annual monitoring tests to be conducted.

**Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: June 30, 2016</i>
<i>Assigned to: Manager, Environmental Health</i>
<i>Corrective Action Planned: SRS will work with the HSC Chemical Safety Committee and Main Campus Chemical and Lab Safety Committee to review the risk and need for air quality and exposure testing.</i>

**INSURANCE CLAIM PROCEEDS**

IA could not determine that all insurance claim proceeds are received by SRS, processed through their index, and distributed to the original claimant (UNM Department that made the insurance claim). According to the Risk Management Division of the New Mexico General Services Department, thirty-seven insurance claim warrants (checks) were mailed to UNM over a twelve-month period (April 1, 2014 through March 31, 2015). Seven of the thirty-seven warrants were received but not deposited in the SRS index and redistributed via internal transfer as stated by SRS documented procedures. As a result, it is difficult to determine with certainty that the warrants were deposited timely and distributed appropriately.

As mentioned above, the current SRS SOPs for receipt and distribution of insurance claim receipts is to receive them at SRS, deposit them in a dedicated “flow through” SRS account, and distribute them via journal entry. Through the course of this audit it was discovered that the Sandoval Regional Medical Center (SRMC), UNM Hospital (UNMH), and the UNM Medical Group (UNMMG) insurance claim funds cannot be handled in the manner described by the SOP because they do not use Banner financial accounting and reporting system. UNM utilizes Banner and the three areas mentioned above do not.

**Recommendation 14:**

The Director of Safety and Risk Services should ensure that SOPs related to insurance claim receipts are updated to reflect a standardized process for receipt and distribution of warrants related to SRMC, UNMH and UNMMG claims.

**Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: December 31, 2015</i>
<i>Assigned to: Manager, Administrative Operations</i>
<i>Corrective Action Planned: SRS developed the appropriate SOP and will insure compliance to its requirements.</i>

**Recommendation 15:**

The Director of Safety and Risk Services should ensure that all insurance claim warrants are processed according to the updated SRS SOPs. In the case where the proceeds relate to UNM, the warrants should be received at SRS, deposited in the designated index within 24 hours of receipt, and distributed via internal journal entry to the appropriate UNM claimant/department within five business days.

**Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<i>Targeted Completion Date: December 31, 2015</i>
<i>Assigned to: Manager, Administrative Operations</i>
<i>Corrective Action Planned: SRS developed the appropriate SOP and will insure compliance to its requirements.</i>

**SRS TRAINING**

The prior internal audit identified areas for improvement with regard to chemical inventory and lab safety. The prior report noted that there were over 400 labs at the time with specific safety challenges and recommended that management of labs be addressed. The audit also noted that it was imperative to implement chemical tracking procedures that required participation from lab representatives. As a result, a comprehensive Chemical Hygiene Plan (CHP) and Chemical Safety Officer (CSO) online training course was developed.

**Enterprise Re-Agent Manager (ERM) System**

UAPPM 6110, "Safety and Risk Services" section 4.3 informs that SRS Environmental Affairs oversees compliance with "chemical storage, inventory, and safety data sheets." In order to comply and ensure that chemical inventory is kept UNM purchased Enterprise Re-Agent Manager (ERM), a chemical inventory software in 2014. ERM is a web based inventory database software, and utilizes barcoding technology to maintain hazardous chemical inventories and track chemical purchases. SRS developed training on use of ERM and is working with the Employee and Organizational Development Office (EOD) to have it loaded as required training on Chemical Safety Officer, Principle Investigator (PI) and specific PCard holders learning plan.

**CSO Training**

In response to the prior SRS internal audit, SRS created a thorough CSO training course, complete with a quiz to ensure that CSOs have a solid understanding of their duties and the role they play in lab safety. The training highlights the most important areas of the CHP as applicable to the CSO role.

CSOs can change and new CSOs can be appointed as new labs open. It is imperative that lab safety be a priority. The CHP and the CSO training are key proactive measures to ensure chemical lab safety. As such, the CSO training should be required of all CSOs as part of their mandatory Learning Central learning plan. SRS has a current request to EOD to include the CSO training on all CSO Learning Central plans.

**Recommendation 16**

The Director of Safety and Risk Services should provide EOD with an annual list of:

- CSOs to ensure that CSO and ERM training becomes part of their required annual Learning Central training courses.
- PIs and PCard holders who make chemical purchases to ensure that ERM becomes part of their required annual Learning Central training courses.

**Response from the Director of Safety and Risk Services:**

<b>Action Items</b>
<b><i>Targeted Completion Date: March 31, 2016</i></b>
<b><i>Assigned to: Manager, Environmental Health</i></b>
<b><i>Corrective Action Planned: The Environmental Health Manager will insure this information reaches Learning Central.</i></b>



**Recommendation 17:**

The University President should send a directive to CSOs, PIs, and PCard holders identified as persons who make chemical purchases to comply with their annual requirements to complete CSO and/or ERM training. They should be reminded of the importance to ensure lab safety and accurate chemical labeling and inventory.

**Response from the University President:**

<b>Action Items</b>
<i>Targeted Completion Date: March 31, 2016</i>
<i>Assigned to: Human Resources Department and Provost's Office</i>
<i>Corrective Action Planned: In response to Internal Audit report 2015-01-1, the University President directed a group to address university-wide mandatory training for employees. As a component of that effort, the President will direct this group to also develop a mechanism to ensure position-specific mandatory training for CSOs, PIs, and PCard holders that make chemical purchases.</i>

**CHEMICAL PURCHASES AND PERPETUAL INVENTORY**

Currently, there are various ways to purchase chemicals: via Chemical and Research Laboratory Suppliers (CRLS), using LoboMart, and via PCard from any Chemical vendor making it difficult to keep an inventory of chemicals and ensure required reporting of Homeland Security Chemicals.

A system is in place for chemicals purchased via CRLS to be reported to SRS; however chemicals purchased by PCard are dependent upon the CSOs or PIs to data input into ERM. One way to ensure that chemical purchases are captured is to require that chemical purchases are only made via CRLS or LoboMart; SRS has been working with Purchasing to load more vendors into LoboMart in the event this is the ultimate solution to ensure all chemicals purchased are properly and accurately inventoried by the ERM system. Another possible solution would be to explore the possibility of SRS serving as a central receiving point for chemicals purchased outside CRLS.

Per correspondence from HSC administration, they are working to install an ERM bar coding system in all their laboratories at SRS's request in order to address the inventory issue.

**Recommendation 18:**

The Executive Vice President for Finance and Administration, Executive Vice President for Academic Affairs/Provost, and the Chancellor for Health Sciences should work with the Director of Safety and Risk Services to determine the best course of action to ensure that all chemicals

purchased are properly and accurately inventoried via the ERM system. Two considerations might be that all chemical purchases are only allowed to be made via CRLS or LoboMart, or that SRS be the central receiving point for all chemical purchases made outside of CRLS. HSC should work to complete installation of ERM and bar coding system.

**Response from the Executive Vice President for Finance Administration:**

<b>Action Items</b>
<i><b>Targeted Completion Date:</b> June 30, 2016</i>
<i><b>Assigned to:</b> Executive Vice President for Finance Administration</i>
<p><i><b>Corrective Action Planned:</b> The departments that purchase chemicals that report to me include PPD and Student Housing. I will work with the Vice-President of Institutional Support Services to insure that those areas coordinate with SRS to insure that chemical purchases are recorded in ERM.</i></p> <p><i>I will also work with the Purchasing Department to secure their cooperation in working with SRS to make purchasing through ERM as streamlined as possible.</i></p> <p><i>Lastly, I will work with SRS to assist them in becoming the central receiving point for all chemical purchases made outside of CRLS. This may mean increased staffing and certainly the development of a storage area.</i></p>

**Response from the Executive Vice President for Academic Affairs/Provost:**

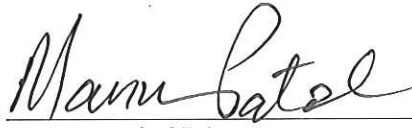
<b>Action Items</b>
<i><b>Targeted Completion Date:</b> Initial Communication with Deans/Departments: October 31, 2015. Full Implementation of training and new protocol: December 31, 2016.</i>
<i><b>Assigned to:</b> Provost's Office Chemical Safety Committee representative, Planning Manager &amp; OVPR Chemical Safety representative, Chief of Staff/Strategic Planner for Academic Affairs</i>
<p><i><b>Corrective Action Planned:</b> With the Risk Management Division, Academic Affairs will issue a memo to all units that purchase chemicals within our organization by October 31, 2015. The memo will detail compliance requirements and a proposed schedule for appropriate training and implementation of the ERM system – it will prioritize the high impact units. This will require close coordination between SRS, the Chemical Safety Committee, Deans and Academic Affairs representatives.</i></p>

**Response from the Chancellor for Health Sciences:**

<b>Action Items</b>
<i>Targeted Completion Date: December 31, 2016</i>
<i>Assigned to: Executive Vice Chancellor, Vice President for Research</i>
<i>Corrective Action Planned: The Health Sciences Center agrees with the Internal Audit finding and recommendation to work with SRS to accurately inventory chemical purchases in the ERM. The HSC will work with SRS to complete the installation of inventory control processes with bar codes which is being implemented at all HSC labs. The systems are being put in place at the request of SRS over the past year to address this issue. Completion 12-31-16 - Dependent on SRS resources.</i>

---

## APPROVALS



---

Manu Patel, CPA  
Director, Internal Audit Department

Approved for Publication



---

Chair, Audit and Compliance Committee