

THE UNIVERSITY OF NEW MEXICO
Board of Regents Audit Committee
January 23, 2009 – Meeting Minutes

Members Present: Chairman Regent Raymond Sanchez, Regent Jamie Koch (Quorum).

Other Attendees: Ava Lovell, Ella Watt, Helen Gonzales, Linda Johansen, Donna Smith, Gil Gonzales, Patrick Apodaca, Lawrence White, Michael Carr, Suzanne Ortega, Lisa Wauneka, G. Christine Chavez, Yvonne Cox, Jason Darensburg.

Regent Sanchez called the meeting to order at 9:42 a.m. in ROBERTS ROOM, Scholes Hall, UNM.

ACTION ITEMS:

- The Committee approved the Minutes of the Regents' Audit Committee Meeting from October 21, 2008 (Motion: Regent Koch, Second: Regent Sanchez).

INFORMATION ITEMS:

- Audit Manager Yvonne Cox provided the Audit Committee with three reports as of January 16, 2009: "Past Due Findings", "Cleared Findings", and "Not Past Due Findings". Ms. Cox pointed out that regarding Audit Report 2006-19, *Extended University Leadership New Mexico Grant – Audit of Employment Issues*, the Deputy Provost informed Internal Audit that this audit is moving along and a policy has been formulated with the Faculty Senate Policy Committee. They will create a task force to make some kind of recommendation on establishing a policy on faculty dispute resolution after reviewing the grievance policies of peer institutions. Regarding Audit Report 2006-48, *The University of NM Taos Audit of Over-Awarding of Financial Aid*, Ms. Cox pointed out that this audit is still with the US Attorney's office and they are still seeking civil remedies. In regards to the "Cleared" findings, Ms. Cox praised the University for stepping up to the plate in clearing items off the list. On the last report, "Status of Audit Recommendations – Not Past Due Findings" report 2007-34, *University of New Mexico Assessment of Art Collection Management*, Ms Cox explained that the committee has completed its work and has made a presentation to President Schmidly. The committee asked for an extension of the due dates to December 2009, considering the current financial situation, because some of the things they need to do to comply with the recommendations will require more funding. The report includes recommendations for management and security of the collections. Regent Koch asked if this survey included the monetary values of the individual pieces in the collection. Director Chavez pointed out that the values for each individual piece are kept in a folder by the museums. She mentioned that she has invited the chairman of the Art Collection Committee to make a presentation at the next Audit Committee meeting in April in order to fully brief the committee on their plans and recommendations regarding the inventory process. Regent Koch wanted clarification regarding how the pieces are insured, and the exact value of each item for the sake of risk management and loss recovery. Donna Smith, Director Safety and Risk Services was asked to clarify whether the insurance policy covers each individual museum, or if it is a "blanket" policy covering all items in all the museums as it should be. Ms. Smith will get back to the committee with a definitive answer, although she believes it is a blanket policy.
- Audit Director Chavez presented the Director's Status Report to the Committee. Possible revisions to the UNM Whistleblowers Protection Policy were discussed. Some issues regarding the policy have come up recently during a couple of investigations which are not addressed in the policy. In addition, Director Chavez wants to make the policy consistent with the UNM

Public Records Policy. Her main concern is the working papers. She will present her suggested revisions to the Whistleblower Policy at the next meeting of the committee.

- Director Chavez pointed out that Internal Audit has no reports to present to the committee due to the scope of the audits currently being worked on. There should be several audits to present at the next meeting.
- Director Chavez informed the committee that Internal Audit's Administrative Assistant, Jason Darensburg, will be leaving the department to accept a position in the Health Sciences Center Pediatrics Department. He will be missed. Ms. Chavez is currently trying to hire a temporary employee, and she eventually wants to upgrade the position to perform dual functions such as technical writing, and assistance with audits. Chavez asked for Committee's approval to fill this new position with expanded duties and a significantly higher pay rate. The Committee approved this request. Regent Koch asked Director Chavez if she was confident that someone could be recruited from the campus community and Ms. Chavez was fairly certain this would be the case.

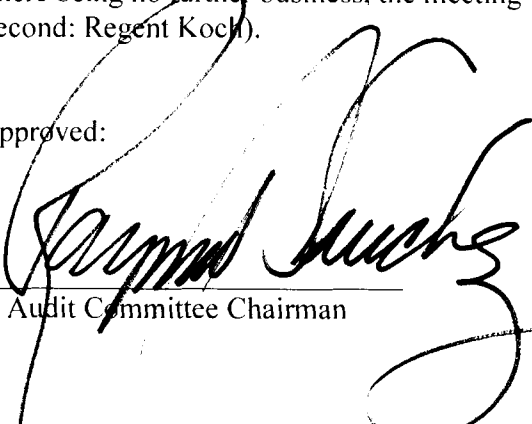
The meeting went into Executive Session for the reasons stated in the agenda. (Motion to close: Regent Sanchez, Second: Regent Koch).

- a. Schedule of Audits in Process, pursuant to exceptions at Sections 10-15-1H(2 and 7), NMSA (1978)
- b. Discussion of Final Internal Audit Reports, pursuant to limited personnel matters exception at Section 10-15-1.H(2) NMSA (1978) and exception for matters subject to attorney-client privilege pertaining to threatened or pending litigation at Section 10-15-1.H(7), NMSA (1978)
- c. Vote to re-open the meeting

The meeting returned to open session (Motion: Regent Sanchez, Second: Regent Koch). Certification that only those matters described above were discussed in Executive Session.

There being no further business, the meeting was adjourned at 10:56 a.m. (Motion: Regent Sanchez, Second: Regent Koch).

Approved:



Audit Committee Chairman