

OFFICE OF THE STATE AUDITOR



Eastern New Mexico University-Roswell

Emergency Medical Services Program

Independent Accountant's Report on Applying Agreed-Upon Procedures

For the Period of January 1, 2012 thru May 31, 2015

Eastern New Mexico University-Roswell

Emergency Medical Services Program

Table of Contents

For the Period of January 1, 2012 thru May 31, 2015

Table of Contents:

	<u>Page</u>
Table of Contents	1
Independent Accountant's Report	2-7
Schedule of Findings and Responses	8-16
Exit Conference	17



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State of New Mexico
OFFICE OF THE STATE AUDITOR

Independent Accountant's Report on Applying Agreed-Upon Procedures

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We have performed the procedures detailed below for the Eastern New Mexico University-Roswell (the University) Emergency Medical Services (EMS) Program for the period of January 1, 2012, through May 31, 2015, solely with respect to the University's EMS Program and the process for calculating EMS instructional staff payroll. On behalf of the University's management, the University president agreed to the procedures. The University's management is responsible for its accounting records and the subject matter. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

EXECUTIVE SUMMARY

On December 30, 2014, the Office of the State Auditor (OSA) released a limited scope forensic report that had been conducted at the request of the University. The report was prepared by the independent public accounting firm Moss Adams LLP and covered the period January 1, 2014, through May 31, 2014. The report identified findings related to the University's administration of the EMS Program, including several overpayments to faculty and material weaknesses in monitoring class attendance and adhering to class budgets. In subsequent discussions, the OSA and the University identified additional concerns related to payroll administration. On February 24, 2015, the OSA issued a designation letter, designating the University for a Special Audit or Attestation Engagement in order to address various complaints and allegations that have been reported to the Office of the State Auditor regarding the Eastern New Mexico University –Roswell Emergency Medical Services Programs' financial affairs, adherence to policies, procedures and compliance with applicable rules., regulations and laws. This report resulted from the OSA's designation.

In summary, the OSA's findings focus on the need for additional policies and procedures to ensure that the University is properly calculating faculty payments and the need for internal controls to reduce the University's fraud risk. Our procedures did not reveal evidence of intent to defraud.

Specifically, the OSA found violations of University policies on the required contract load for faculty; incorrect calculation of contact hours; inconsistencies between Personnel Action Notices and other University records; and inaccurate, duplicative and double payments to faculty. The net overall impact of these findings indicates \$29,765 in overpayments to faculty. The following table summarizes the financial impact of these issues.

Finding Number	Description	Potential Overpayments	Potential Underpayments	Net Overpayment
2015-001	Faculty improperly received overload compensation	\$1,860		\$1,860
2015-002	Incorrect calculation of lab contact hours for contract load compensation	\$ 2,945	\$ 1,550	\$1,395
2015-003	Incorrect calculation of contact hours for overload compensation	\$ 11,780	\$ 2,945	\$8,835
2015-004	Inconsistencies with adjunct proctor payments	\$6,075		\$6,075
2015-005	Simultaneous payment under contract, adjunct or overhead and proctor pay for the same course	\$1,410		\$1,410
2015-006	Faculty receiving double pay	\$310		\$310
2015-007	Faculty receiving overload and proctor pay for overlapping or simultaneously taught courses with multiple instructors	\$2,235		\$2,235
2015-008	Faculty receiving overload pay for cancelled classes	\$1,240		\$1,240
2015-009	Faculty receiving proctor pay for a two day class	\$6,675		\$6,675
Totals		\$34,530	\$4,495	
Total Net Overpayments				\$30,035

While this financial impact is not significant compared to the University's overall payroll, the OSA's recommendations focus on clarifying policies and increasing training to ensure that faculty and staff properly administer those policies. The findings and recommendations pinpoint the specific policies and procedures at issue.

The OSA is grateful to the University's personnel for their cooperation with these procedures and to University administration for proactively seeking to address problems in internal controls.

Procedure:

The University engaged the Office of the State Auditor (OSA) to perform certain procedures to determine if various inconsistencies exist with respect to EMS instructional staff compensation. Our procedures were as follows:

- Determine on a sample basis if duplicate Personnel Action Notices (PAN) exist for EMS staff teaching EMS courses.
- Determine on a sample basis if credit hours listed in PANs are consistent with the Banner Financial system and evaluate whether any difference resulted in incorrect payments.
- Determine on a sample basis if class identification numbers listed in PANs are correct.
- Determine on a sample basis if more than one lead instructor was paid per scheduled class.
- Determine on a sample basis if individual instructors were paid for teaching simultaneously scheduled classes.
- Determine on a sample basis if differences between reported class attendance in the Banner system and PAN-reported class attendance exist.

OSA auditors met with University management and conducted interviews of EMS staff, including interviews intended to detect fraud. The University provided the OSA with Personnel Action Notices for the period of May 2012 through May of 2014 and Faculty Load and Compensation (FLAC) system printouts for the period of August 2014 through May 2015, although we noted some PANs for this same period. The University also provided the OSA with a class listing spreadsheet exported from the University's Banner system. The University began implementation of the FLAC system in the fall of 2014, but as noted above it appears that a mix of PANs and FLAC were utilized during the implementation.

Background Information:

Through interviews and PAN review we determined that the University compensates EMS instructional staff for three main types of instruction: contract load, overload, and adjunct.

Contract Load Compensation

Contract load compensation is applicable to full time faculty instructors and requires a 15 credit hour course load. Compensation for regular class instruction is typically based on course credit hours whereas compensation for labs should be based on a reduced contact hour calculation of 75% per university policy ENMU-R Faculty Performance Obligations 30.4-5. We note that University policies refer to "teaching load," while the PAN documents we reviewed list the hours as "faculty contract course load." The reduced rate would provide a calculation equal to 2.25 contact hours for a one-credit-hour lab that meets three times per week for one hour.

Overload Compensation

Overload compensation is applicable to fulltime instructors who teach classes in excess of their 15-hour contract load and should be applied according to University policy ENMU-R Faculty Performance Obligations 30.4-4.

Adjunct Compensation

Adjunct compensation is applicable at a rate of \$620.00 per hour to non-full time faculty instructors when assigned a class or lab or while substituting for faculty. Adjunct compensation at the \$620 hourly rate should also follow University policy ENMU-R Faculty Performance Obligations 30.4-4. We also noted that adjunct compensation is applied at a rate of \$30.00 per hour for various classroom assistant functions. Although the University described the latter using a variety of descriptions for “assistant,” we will use “proctor” to describe the service provided throughout the remainder of this report.

Testing:

Pan Approvals

The PAN forms have seven signature lines in the approval section. The first two lines, employee and supervisor, are optional. We examined a total of 202 PANs. Of these, 193 PANs (96 %) were manual forms with signature lines. We found that employees signed 141 (73%) and supervisors signed 181 (94%). Of the 193 manual forms, all had the required signatures indicating approval by the department dean, academic affairs, the president, human resources and payroll. Inquiries of payroll and human resources staff indicated that the signatures from these departments were verifications of approval of entry, but not acknowledgement of a comprehensive review of the information listed. The University president used the term “administerial” to describe the nature of his signature. In a few cases we found memos or other documentation explaining the reason for a PAN or corrections to a PAN. In a very limited number of cases we found documentation questioning the reason for the PAN.

Contract Load Compensation

The 202 PANs haphazardly sampled resulted in 391 individual courses for which faculty were credited for pay. We found one PAN that was three hours short of the 15-hour contract load requirement. One PAN sampled indicated a general release time that may have been in excess of 9 hours. One contract load under calculation may have resulted from an adjustment for multiple instructors teaching the same class. In addition we found 5 PANs that did not have the contact hours for lab courses calculated correctly, there were over and under calculations. The net effect totaled \$1,395, with \$2,945 overpaid and \$1,550 underpaid. Two additional PANs appeared to have adjustments for multiple instructors.

Overload Compensation

Overload PANs sampled revealed 25 lab classes that did not have the contact hours for lab courses calculated correctly, there were over and under calculations. The net effect totaled \$8,835, with \$10,385 overpaid and \$2,945 underpaid. One PAN appears to have been processed for a class listed in the Banner export as cancelled. The overpayment was \$620. We found nine classes on six PANs that had various adjustments resulting in partial credits to account for instructors sharing classes. One of the nine classes improperly split a seven-hour class into two 4.5-hour credits. One PAN reflected adjustments for an instructor who took over a class at some point during the

semester after the resignation of the assigned instructor and another PAN was adjusted to 75% credit due to low enrollment. One class listed on a FLAC printout for the fall of 2014 shows an instructor being paid one credit hour for a two-credit hour class.

Adjunct Compensation

Adjunct PANs sampled revealed 32 classes (28 PANs) that had inconsistencies between Banner and the PAN. The inconsistencies were in the class dates, the hours, or the class schedule. All 28 PANs were submitted for the \$30 rate of pay, indicating the compensation was for proctoring the classes. The auditor recalculated the totals for the PANs based on the class times and dates as listed in the Banner export. A total of \$5,925 is estimated as the total overpayment calculated from these inconsistencies. One class included on a PAN for a total of 5 hours at \$30 per hour was listed in the Banner export as cancelled.

Overlapping and Duplicate Compensation

We examined all paid PANs (147) from a sample of five faculty members from January 2013 to December 2014. The sampling revealed that 10 PANs were paid to faculty members for proctoring five courses while also being paid for contract, adjunct, or overload for the same five courses. Interviews were conducted and faculty and administrators stated that every PAN had to have a course registration number (CRN) and as a result of that requirement the PANs in question were completed with the class CRN, even though the work was not specific related to that course. These simultaneous payments resulted in a payment of \$1,410. Two PANs appear to have been paid for the same course to the same faculty member, resulting in an overpayment of \$310. We also found that while faculty members were being paid overload for eight courses as primary instructors, they were also receiving 74.5 hours of proctor pay for 11 different courses that were overlapping or simultaneously taught by another faculty member. An overpayment of \$2,235 was the result of these extra hours paid.

General Observations

We observed six classes for which the Banner export listed instructors in addition to those on the PAN sampled. We looked for PANs for those additional instructors but did not locate any. This leads us to believe that the additional instructors may not have been compensated. We observed seven PANs and one FLAC printout for 19 classes that appear to have compensated the instructors with fewer credit hours than listed in Banner. Some of the adjustments were made as a result of multiple instructors teaching the course. It is reasonable to believe that the other adjustments may have been made for the same reasons. The FLAC printout listed classes totaling 24.5 contact hours for one instructor's contract load. The FLAC sheet does not list hours for the contract load so we were unable to determine if this was a co-teaching situation or an input error. We noted differences between Banner class enrollment numbers and the manual PANs submitted but believe the enrollment numbers on the manual PANS were provided for information purposes only. The FLAC system printouts do not list enrollment numbers.

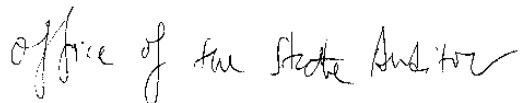
Finding 2015-004 documents compensation paid to proctors and recommends that the University consider establishing a policy to directly address class proctors and assistants. Consideration should be given to the depth of this policy. We were not able to identify a specific proctor-to-student ratio for the EMS program and also noted that proctors are paid \$30 per hour regardless of their level of certification. Certain classes or tests such as the American Heart Association CPR class and the National Registry Testing for EMS personnel may have a required ratio. The University should consider establishing a ratio for proctors that is in line with established external requirements. If no external requirements exist for a particular class or lab, the University should

consider the subject matter of that class or lab. Some subject matter and hands-on experiences may pose more risk for the University. A policy that clearly defines the ratios and the circumstances for different ratios may alleviate the uncertainty that exists. Compliance with the policy should include some method for documenting the ratio and the lab or class subject matter for each proctor payment processed. A policy on ratios should also include a standard method for documenting class enrollment. The University may wish to consider a stepped compensation rate that is based on the level of certification and local rates of pay for emergency medical technicians and paramedics. In addition the University should consider a review of other programs to evaluate the operating practices, staffing requirements, and class loads. Development of a policy that the University can apply consistently across all departments and programs would be beneficial.

Our procedures highlight inconsistencies, errors, and omissions as well as internal control and policy deficiencies, which may make the University susceptible to fraud, waste and abuse. Our procedures did not reveal evidence of intent to defraud.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the agreed upon procedures. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management of Eastern New Mexico University-Roswell and the New Mexico State Auditor, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Office of the State Auditor".

Office of the State Auditor
February 16, 2016

Eastern New Mexico University-Roswell

Emergency Medical Services Program

Schedule of Findings and Responses

For the Period of January 1, 2012 thru May 31, 2015

Schedule of Findings and Responses:

2015-001 – Faculty Overpayment for 15 Hour Contract Load Compensation

Condition: A Faculty Load and Compensation (FLAC) print out for the fall 2014 semester listed three classes for a total of 12 credit hours as the total contract load for one Emergency Medical Service (EMS) faculty member. The required contract load per University policy is 15 hours. During inquiry the EMS administrator suggested that the instructor may have been given 3 credits for serving as a paramedic coordinator. The faculty member was unaware of the issue and thought it might have been an oversight. Payroll and human resources personnel were not able to offer additional insight or information.

Criteria: ENMU-R Faculty Performance Obligations 30-4-4 Teaching Load

Policy defines an “overload” as any instructional responsibility of ENMU-Roswell and its affiliated programs assigned to a full-time faculty member in addition to the normal load of 15 semester credit hours or its equivalent. The normal teaching load for regular full-time faculty consists of 15 semester hours or its equivalent per semester. Ordinarily, full-time faculty teach no more than one course as an overload per semester. The Provost for Academic and Student Affairs may approve exceptions to this general guideline. Stipends are not calculated as part of the teaching load.

Effect: The faculty member also received contract overload compensation on the same PAN. The under-calculation of the faculty contract load resulted in what appears to be an overpayment of 3 overload hours for a total overpayment of \$1,860.

Cause: This appears to be an oversight in the entry, processing, or reporting of faculty compensation. This exception occurred during the initial implementation of the FLAC system as such the FLAC system does not appear to have a function to calculate the required contract load and a control that would allow overload compensation only after the contract load is met.

Recommendation: The University should develop a review process for the Emergency Medical Services (EMS) program that works with the newly implemented Faculty Load and Compensation (FLAC) system to ensure the contract load/teaching load required by University policy Faculty Performance Obligations 30-4-4 Teaching Load is met prior to calculating overload compensation for EMS instructors.

Agency Response: Complete - We have assigned a full-time Financial Director for the Health Division to monitor all fiscal aspects of the EMS program and preauthorize overloads for all EMS program faculty.

2015-002 – Miscalculation of Lab Contact Hours for Faculty Contract Load Compensation

Condition: Five PANs and one FLAC system printout, out of 202 sampled, revealed eight lab courses in which the contact hours were not calculated per university policy. There were two under-calculations and six over-calculations. The courses were for the spring 2012, fall 2012, spring 2013, and spring 2015. Faculty and administrative staff asserted during interviews that this policy was not enforced with respect to the EMS program until the fall of 2015. Payroll and human resources personnel were not familiar with this policy.

Criteria: ENMU-R Faculty Performance Obligations 30-4-5 Teaching Load Adjustments

According to University policy:

A full load for faculty who teach full-time in the fall or spring semesters is 15 credit hours or the equivalent in lab/PE hours. To determine the equivalent credit hour load for an instructor who teaches lab or PE courses in which the contact hours exceed the credit hours, conduct the following calculation:

A. Separate the credit hours for lecture from the lab/PE credit hours;

B. Calculate the total number of lecture hours;

C. Typically, convert the credit hour(s) associated with the lab/PE portion to the total number of weekly contact hours and multiply this result by a factor of .75 to arrive at a credit hour equivalent. Some departments calculate the lab portion differently to accommodate the student to instructor ratio necessary to fulfill requirements.

D. Add the credit hour equivalent to the credit hour total of lecture classes (if any) to arrive at the instructor's teaching load.

Note: "PE" as referenced in the University policy is meant to refer to physical education.

Effect: The net effect of the over- and under-calculations is \$1,395 in faculty overpayments. The under-calculations total \$1,550 and the over-calculations total \$2,945. In addition all five PANs with errors in calculations also had overload compensation calculated based on the overstated contract load. Some of the overload compensation should not have been required because the minimum 15-credit contract load was not achieved.

Cause: University policy Faculty Performance Obligations 30-4-5 Teaching Load Adjustments does not appear to be strictly or consistently enforced with respect to the Emergency Medical Services (EMS) program and it appears that the policy includes a non-specific exception for some departments.

Recommendation: The University should consider revising the University Faculty Performance Obligations 30-4-5 Teaching Load Adjustments policy to remove or provide a more clear set of circumstances for use of the following exception: "Some departments calculate the lab portion differently to accommodate the student to instructor ratio necessary to fulfill requirements." Once revised, we recommend policy training for faculty and administrators. The University should consider obtaining signed acknowledgements from faculty and staff for the revised policy.

Agency Response: In progress - We will remove the statement, "Some departments calculate the lab portion differently to accommodate the student to instructor ratio necessary to fulfill requirements" from the University Faculty Performance Obligation 30-4-5 Teaching Load

Adjustment policy, at one of our upcoming Community College Board and Board of Regents meetings. Removal rather than revision will standardized calculation of lab positions. All lab faculty will be trained on the new policy and sign that their understanding exists.

2015-003 – Miscalculation of Lab Contact Hours for Faculty Overload Compensation

Condition: Eight PANs and three FLAC system printouts of 202 sampled revealed 25 lab courses for which the contact hours were not calculated per University policy. There were four under-calculations and 21 over-calculations. The courses were for the spring 2012, summer 2012, fall 2013, spring 2014, fall 2014, and spring 2015. The University policy for calculating contact hours for labs does not specifically require use for overload compensation. It does, however, appear reasonable to apply the calculation methodology to overload compensation. Faculty and administrative staff asserted during interviews that this policy was not enforced with respect to the EMS program until the fall of 2015. Payroll and human resources personnel were not familiar with this policy.

Criteria: ENMU-R Faculty Performance Obligations 30.4-5

According to University policy:

A full load for faculty who teach full-time in the fall or spring semesters is 15 credit hours or the equivalent in lab/PE hours. To determine the equivalent credit hour load for an instructor who teaches lab or PE courses in which the contact hours exceed the credit hours, conduct the following calculation:

A. Separate the credit hours for lecture from the lab/PE credit hours;

B. Calculate the total number of lecture hours;

C. Typically, convert the credit hour(s) associated with the lab/PE portion to the total number of weekly contact hours and multiply this result by a factor of .75 to arrive at a credit hour equivalent. Some departments calculate the lab portion differently to accommodate the student to instructor ratio necessary to fulfill requirements.

D. Add the credit hour equivalent to the credit hour total of lecture classes (if any) to arrive at the instructor's teaching load.

Note: "PE" as referenced in the University policy is meant to refer to physical education.

Effect: The net effect of the over- and under- calculations is \$8,835 in overpayments to faculty. The under-calculations total \$2,945 and the over-calculations total \$11,780.

Cause: University policy Faculty Performance Obligations 30-4-5 Teaching Load Adjustments does not appear to be strictly or consistently enforced with respect to the Emergency Medical Services (EMS) program and it appears that the policy includes a non-specific exception for some departments.

Recommendation: The University should consider revising the University Faculty Performance Obligations 30-4-5 Teaching Load Adjustments policy to remove or provide a more clear set of circumstances for use of the following exception: "Some departments calculate the lab portion differently to accommodate the student to instructor ratio necessary

to fulfill requirements” The University should also consider whether the policy should be applied to overload compensation calculations and consider specifically addressing overload compensation in the policy. Once revised, we recommend policy training for faculty and administrators. The University should consider obtaining signed acknowledgements from faculty and staff for the revised policy.

Agency Response: In progress - With removal of current language, “Some departments calculate the lab portion differently to accommodate the student to instructor ratio necessary to fulfill requirements” from the University Faculty Performance Obligation 30-4-5 Teaching Load Adjustment policy, will follow the same process as finding number two.

2015-004– Inconsistencies with Adjunct Proctor Payments

Condition: Twenty-eight PANs for adjunct proctor compensation were submitted with inconsistencies between the Banner export dates and class hours and the dates or hours listed on the PAN. The courses were for the spring 2012, fall 2012, fall 2013, and fall 2014. One of the 28 PANs was listed in Banner as cancelled. Another course was listed with an incorrect course registration number (CRN).

Criteria: In general, employees should not be compensated for hours not worked. The University has a code of conduct policy 20-2-H that prohibits the falsification of documents.

Effect: The University *may* have overpaid adjunct compensation to proctors in the amount of \$6,075.

Cause: The University does not appear to have a policy that is specific to classroom assistants or proctors, nor does the faculty handbook address the issue. Based on the scope of the procedures, the OSA did not determine whether the inconsistencies resulted from clerical errors or intentional fraud. In either case there was no evidence of review or attempted correction of the PANs.

Recommendation: The University should consider drafting policies that establish a mechanism that provides consistent guidance for the use of proctors and classroom assistants. Additional recommendations for the use of proctors and assistants is also provided in the summary of this report.

Agency Response: Complete – The condition cited, i.e. PAN dates and times not matching Banner, has been addressed with the implementation of the Faculty Load and Compensation (FLAC) system in the fall semester of 2014. Compensation is now entered into the FLAC system by the Administrative Assistant including course information, dates worked, compensation amounts and accounts charged, the Assistant Vice President of Health Education approves, and the faculty member acknowledges that the information is correct before it will be accepted by the payroll system.

2015-005 – Faculty Receiving Simultaneous Payment under Contract, Adjunct, or Overload and Proctor Pay for the Same Course

Condition: For five courses, our review procedures noted that during fall 2012, spring 2013, fall 2013, and spring 2014, 10 PANs were approved to pay faculty members for proctoring a course while that faculty member was also being paid for contract, adjunct, or overload for the same course.

Criteria: ENMU-R Faculty Performance Obligations 30-4-2

The workload for full-time faculty is 40 hours per week. The workload is divided in classroom contact hours, office hours, classroom related activities, and time spent in professional obligations such as serving on committees. Faculty and administrative staff for the EMS program stated during interviews that faculty members were video recording classes in the University's recording facility, beyond their 40 hour work week, for use with online web classes. Faculty and administrative staff asserted that the University requires every PAN to have a course registration number (CRN) and as a result of that requirement the PANs in question were completed with the class CRN that related to the class being video recorded. The PANs contained the note Course Development.

Effect: The faculty members received contract, adjunct, or overload pay for five courses. They also received 38 hours of proctor pay for the same five courses at \$30 per hour, resulting in a payment of \$1,410. The University documents do not provide sufficient evidence to document whether the faculty received payment for video recording or proctoring a course they were also instructing.

Cause: The University requires a course CRN on every PAN submitted and this requirement can result in misleading documentation. Based on the scope of procedures, the OSA did not determine whether the inconsistencies are the result of a lack of detailed records or intentional fraud.

Recommendation: The University should develop a review process for the Emergency Medical Services (EMS) program that works with the newly implemented Faculty Load and Compensation (FLAC) system to ensure that faculty do not receive proctor pay simultaneously to contract, adjunct, or overload pay.

Agency Response: In progress - The University is in the process of developing written policies that clarify the circumstances when EMS faculty members may receive "proctor pay" at an hourly rate. Development of that policy has been delayed because the EMS Program has been under an Interim Director for some time. However, with the recent hiring of a new Director for the EMS Program, it is anticipated that this new policy will be developed and implemented in the coming months. Once developed, the policy will include a prohibition against a faculty member receiving "proctor pay" for a class for which that same faculty member receives compensation (either as part of the faculty member's contract load or as overload). The policy will also delineate the circumstances under which an EMS faculty member may receive hourly proctor pay. And it will set out the approval process and control measures. Also, a Financial Director has been assigned to the Health Division. The new Financial Director's duties include oversight and compliance with respect to proctor pay.

2015-006 – Faculty Receiving Double Pay for the Same Course

Condition: For one course, our review procedures noted that during spring 2014, two Personnel Action Notices (PANs) were paid to a faculty member for the same course resulting in a double payment.

Criteria: ENMU-R Faculty Salary Practice 30.2-5 and 30.2-7

According to University policy:

5. Overload Compensation. Full-time faculty who teach above a normal semester load will receive overload compensation equal to adjunct faculty compensation.

7. Adjunct Compensation. Adjunct faculty are compensated at a flat rate (no enrichment for education or longevity) based upon a per credit hour rate. The per credit hour rate is determined annually by the administration with the publishing of the full-time faculty salary schedule.

Effect: The faculty member received overload pay twice for the same a one-half credit course at a rate of \$620 per credit hour, resulting in an overpayment of \$310.

Cause: This appears to be the result of lack of internal controls over the submission, review and payment of Personnel Action Notices.

Recommendation: The University should develop a review process for the Emergency Medical Services (EMS) program that works with the newly implemented Faculty Load and Compensation (FLAC) system to ensure that faculty do not receive multiple contract, adjunct or overload payments for the same courses.

Agency Response: Complete - With the assignment of the Financial Director for the Health Division all waivers in EMS will be pre-approved.

2015-007 – Faculty Receiving Overload and Proctor Pay for Overlapping or Simultaneously Taught Courses with Multiple Instructors

Condition: Our review procedures noted, in 11 instances during fall 2012 and spring 2014, faculty members submitted and received overload pay for courses they taught, and submitted and received proctor pay for overlapping or simultaneous courses taught by another faculty member.

Criteria: ENMU-R Faculty Performance Obligations 30-4-2

The workload for full-time faculty is forty hours a week. The workload is divided in classroom contact hours, office hours, classroom related activities, and time spent in professional obligations such as serving on committees.

Effect: The faculty members received overload pay for eight courses. They also received 74.5 hours of proctor pay for 11 different courses that were overlapping or simultaneous taught with the overload courses at \$30 per hour, resulting in an overpayment of \$2,235. The overload and proctor courses were not taught by the same faculty members.

Cause: This appears to be the result of lack of internal controls over the submission, review and payment of Personnel Action Notices.

Recommendation: The University should develop a review process for the Emergency Medical Services (EMS) program that works with the newly implemented Faculty Load and Compensation (FLAC) system to ensure that faculty do not receive contract, adjunct, overload or proctor pay for overlapping or simultaneously taught courses.

Agency Response: In Progress – As recommended by the Office of the State Auditor, the University began piloting a process in the fall of 2015 using the FLAC system, a recently developed customized report, and a digital document archival package, to track and document compensation for supplemental instruction. Multiple instructors are required to maintain the student-to-instructor ratio prescribed by the Committee on Accreditation of Educational Programs for the Emergency Medical Services Professions (CoAEMSP) in lab and clinical courses. The process will be fully institutionalized by the fall of 2016 following the conclusion of the pilot in the spring of 2016.

2015-008 – Faculty Receiving Overload Pay for Cancelled Class

Condition: On two occasions, our review procedures noted that during fall 2012 and fall 2013, two faculty members were paid overload of one credit hour each for classes that were cancelled according to the Banner system export. The fall 2012 class is listed as a three credit hour class, but the instructor was credited for one credit hour.

Criteria: ENMU-R Faculty Performance Obligations 30-4-2

The workload for full-time faculty is 40 hours per week. The workload is divided in classroom contact hours, office hours, classroom related activities, and time spent in professional obligations such as serving on committees.

Effect: The faculty member overload pay for the course resulting in an overpayment of \$620.

Cause: This appears to be the result of lack of internal controls over the submission, review and payment of Personnel Action Notices.

Recommendation: The University should develop a review process for the Emergency Medical Services (EMS) program that works with the newly implemented Faculty Load and Compensation (FLAC) system to ensure that faculty do not receive payment for classes that have been cancelled.

Agency Response: Complete - Current policy is in place to monitor this issue. This was an error and will be reinitialized using our pre-approval of all work in the EMS program.

2015-009 – Excessive Proctor Pay

Condition: We noted that 24 PANS were submitted for one class during the fall of 2014. The PANs are for proctoring 222.5 hours and total \$6,675. The class, EMS-293 National Registry Emergency Medical Technician (NREMT) Test Preparation, is listed in the Banner System as a two-day class lasting nine hours each day. The number of students enrolled in the class is listed as eleven in the Banner system and the PANs indicate an enrollment of forty-one. It appears from the documentation that 23 people were paid to proctor two days of classes for eleven students. Faculty and administrative staff for the EMS program stated during interviews that the majority of the proctors were required to facilitate the National Registry Test Site.

Faculty and administrative staff asserted that the University requires every PAN to have a course registration number (CRN) and as a result of that requirement the PANs in question were completed with the test preparation class CRN. The PANs did contain the following notes: “13 medics, 23 AEMTS, and 4 off campus.”

Criteria: In general, employees should not be compensated for hours not worked. The University has a code of conduct policy 20-2-H that prohibits the falsification of documents.

Effect: The University paid 23 individuals \$6,675 to serve as proctors for two days. The University documents do not provide enough evidence to document that the individuals assisted with the National Registry Test Site for Emergency Medical Technicians.

Cause: The University does not appear to have a policy that is specific to classroom assistants or proctors, nor does the faculty handbook address the issue. The University requires a course CRN on every PAN submitted and this requirement can result in misleading documentation. Based on the scope of procedures and the interviews conducted, the OSA believes the inconsistencies are the result of the requirement to include a CRN number on all PANs and a lack of a detailed description on the PANs and not fraudulent actions on the part of University management, faculty, or administrators.

Recommendation: The University should consider drafting policies that establish a mechanism that provides consistent guidance for the use of proctors and classroom assistants. Additional recommendations for the use of proctors and assistants is also provided in the summary of this report.

Agency Response: In progress – The National Registry for Emergency Medical Technicians (NREMT) course served credit-seeking EMS students who enrolled and were tracked in Banner; however, the skills testing event, the concluding activity for the course, also served the EMS community at large. Effective with the 2016 Campus Catalog, the NREMT skills testing event will be separated from credit instruction and conducted entirely through the University Center for Workforce and Community Development who will collect fees in advance from every participant, pay proctors, coordinate staffing from ENMU-Roswell and the NREMT evaluators, and validate student and instructor participation. The transfer of responsibility for NREMT testing to the Center for Workforce and Community Development currently is in progress. Once this initiative is fully implemented, faculty members who participate in the NREMT skills testing (either as instructors or proctors) will be paid separately for time spent on NREMT programs. A faculty member's participation in NREMT activities will not count toward that faculty member's contract load, nor will it count as overload. Compensation will be paid through the University Center for Workforce and Community Development and will be separate from and in addition to the faculty member's regular compensation.

2015-010 – Inconsistencies between Banner Enrollment and PANs

Condition: We noted that 78 out of 192 PANs (40.6%) listed class enrollment that tied to the Banner enrollment. Thirty-one of 192 (16.2%) PANs listed class enrollment that was lower than the Banner enrollment. Sixty of 192 (31.3%) PANs listed class enrollment that was greater than the Banner enrollment. The remaining 23 PANs (12%) either did not have enrollment listed or there were multiple pans for a single class that varied as over or under. The enrollment number listed in the Banner system may be updated throughout the semester as students add, drop or dis-enroll.

Criteria: Personnel Action Notices (PANs) contain a field for enrollment numbers. In general forms should only require relevant data and policies and instructions should provide guidance to ensure data consistency. The University has a code of conduct policy 20-2-H that prohibits the falsification of documents.

Effect: The University processed PANs containing enrollment numbers that did not agree with those listed in the Banner System. The approval decisions for these PANs may have been based on incorrect information.

Cause: The University does not have a policy or written guidance that addresses PANs and provides instruction for PAN completion. Lack of clear guidance may have led to inconsistent enrollment numbers caused by instructors using initial enrollment numbers prior to drop dates, head counts, or other means to populate this field. Based on our interviews of faculty and staff it does not seem likely that enrollment numbers were considered when PANs were approved. We did not find evidence that the differences between the enrollment numbers resulted from fraudulent intentions.

Recommendation: The University should consider drafting policies that establish consistent guidance for the completion of PANs if they continue to utilize PANs. If the University transitions all faculty compensation to the FLAC system they should consider the usefulness of enrollment data when approving faculty compensation and develop guidance for the approval process.

Agency Response: Complete - FLAC (Faculty Load and Compensation) now tracks enrollments for decision making of classes meeting enrollment standards. Also our Financial Director for the Health Division pre-approves all expenditures serving as a backup to FLAC.

Eastern New Mexico University-Roswell

Emergency Medical Services Program

Exit Conference

For the Period of January 1, 2012 through May 31, 2015

On February 16, 2016 the OSA held an exit conference with the following individuals to discuss the results of the agreed-upon procedures and the contents of this report.

Eastern New Mexico University-Roswell

Dr. Steven Gamble, President Eastern New Mexico University
Dr. John Madden, President Eastern New Mexico University – Roswell
Christopher Holland, JD, Attorney

Office of the State Auditor

Timothy M. Keller, State Auditor
Sanjay Bhakta, CPA, CGFM, CFE, CGMA, Deputy State Auditor
Sarita Nair, JD, General Counsel
Kevin Sourisseau, CPA, Special Investigations Division Director
Kelly Mercer, CFE, Investigations Supervisor