



McHard Accounting Consulting LLC

933 San Mateo Blvd NE, Suite 500-151, Albuquerque, NM 87108
505/554-2968 Phone 877/279-2942 Fax

December 15, 2017

Dr. Richard J. Bailey, President
Ricky Bejarano, Vice President for Finance & Administration (Interim)
Northern New Mexico College
921 N Paseo De Oate
Española, NM 87532

VIA EMAIL TO Mr. Ricky Bejarano ricky.bejarano@nnmc.edu

Re: Northern New Mexico College
Investigation of Title III funds concerning possible embezzlement

Dear President Bailey and Mr. Bejarano,

Thank you for the opportunity to assist Northern New Mexico College ("College" or "NNMC") with the investigation into concerns of embezzlement. We performed an investigation to determine whether or not probable cause exists to believe that Henrietta Trujillo, the former Northern New Mexico College Financial Services Director, participated in a felony embezzlement scheme, specifically resulting in the theft or loss of Title III Federal grant funds.

We conducted on-site fieldwork for interviews and document acquisition on August 8, 2017, September 5, 2017, September 6, 2017, November 7, 2017 and November 29, 2017. We interviewed numerous staff in finance and accounting, procurement, administration and information technology ("IT") departments.

We acquired and analyzed the following documents as part of our investigation:

- Bank statements for all accounts for Fiscal Year ("FY")16 and FY17
- Grant award notifications for FY15, FY16 and FY17
- Grant budget documents for FY15, FY16 and FY17
- Payroll detail for fund 41144 (Title III's fund number) for FY15, FY16 and FY17
- Expense line item detail for fund 41144 for FY15, FY16 and FY17
- Human resource files for selected employees
- Personnel Action Forms for selected employees
- Check stubs for selected payments
- Purchase orders or other purchase documents for selected items
- Invoices, receipts and documentation for selected items
- Daily cash deposit verifications
- Details regarding certain transactions such as journal entries and voids
- IT access and user data for all NNMC employees
- All available documentation related to whistleblower complaints

- NNMC policies and procedures
- Other financial and human resource information

Background and assignment:

We were engaged after former employee Henrietta Trujillo resigned from Northern New Mexico College, via a letter in which she confessed to embezzling College funds. Agent Mitchel Bengston of the New Mexico State Police investigated the matter, and determined that probable cause existed to believe that Ms. Trujillo committed felony embezzlement against Northern New Mexico College. However, Agent Bengston's investigation did not attempt to differentiate between the funding sources involved in the embezzlement.

Per the request of Max Rudmann of the Office of the Chief Financial Officer, Post Audit Group, US Department of Education ("DOEd"), NNMC needed to determine whether or not Title III Federal grant funds were part of the embezzled funds. Thus, with the permission of the New Mexico Office of the State Auditor ("NM OSA"), McHard Accounting Consulting LLC was engaged.

We were originally contracted to perform the following scope of work:

Testing of Title III grant funding for FY17 to include:

- Interview key employees as appropriate
- 100% testing of all travel
- 100% testing of all reimbursement requests at or over \$1,000
- 100% vendor testing on the reimbursements described above
- payroll testing as appropriate
- Report any internal control issues and defalcations identified, if any
- Provide recommendations for improvement
- Coordinate with NM OSA & NM State Police
- Provide interim oral reports
- Provide a final written report/letter outlining our work, interviews, findings, recommendations and opinions

Our contract was then amended to include the additional scope below:

Testing of Title III grand funding for FY16 and FY 15 to include:

- Interview key employees as appropriate
- 100% testing of all travel
- 100% testing of all reimbursement requests at or over \$1,000
- 100% vendor testing on the reimbursements described above
- payroll testing as appropriate
- Report any internal control issues and defalcations identified, if any
- Provide recommendations for improvement
- Coordinate with NM OSA & NM State Police
- Provide interim oral reports
- Provide a final written report/letter outlining our work, interviews, findings, recommendations and opinions



We were also requested to include in our investigation information from whistleblower complaints regarding possible supplanting, or misuse of Title III funds as alleged by complainants.

Throughout the engagement we were requested to provide oral reports to NNMC management, and to cooperate with the NM OSA, NM State Police and US Department of Education.

Ultimately, our work resulted in this report, as well as the recommendations for improvement report that will follow, and two confidential human resource (“HR”) reports regarding HR issues which were revealed during our investigation.

Testing and Analysis:

NNMC received the following funds for Title III:

Fiscal Year	Funds Received
2017	\$838,984.00
2016	\$1,374,072.00
2015	\$1,196,159.00

Because the Title III grant is an expense reimbursement grant, the funds received were all reimbursements for expenditures incurred by NNMC. The expenditures reimbursed included invoices paid through accounts payable, payroll expenses and amounts paid to the University of New Mexico and Santa Fe Community College as subrecipients of grant funds.

We used the following scope for our testwork:

- All payments to vendors or subrecipients over \$1,000
- All payments to vendors for travel regardless of amount
- All travel reimbursements paid to employees regardless of amount
- Payroll records for employees with more than \$1,000 in payroll expenses charged to the grant in any of the fiscal years
- Any other significant or unusual items

This scope resulted in the following coverage for expenditures:

Fiscal Year	Amount Tested	Coverage
2017	\$808,757.85	96.40%
2016	\$1,088,793.84	79.24%
2015	\$1,144,231.63	95.66%

Invoices paid through Accounts Payable (excluding subrecipient payments):

As stated above, the Title III grant is an expense reimbursement grant. NNMC pays the grant-related expenses and then submits a draw down request to the granting agency for



reimbursement. This process is used for expenses paid via accounts payable and for payroll expenses. To test the expenses paid via accounts payable, we requested a general ledger detail for all expenses charged to the grant in fiscal years 2017, 2016 and 2015. We sorted the detail to segregate the expenses paid via accounts payable and selected our sample using the scope described above.

For each transaction selected, we tested the following items:

- The transaction was included in a draw request.
- A purchase order, purchase requisition or other approval was created.
- The purchase order, purchase requisition or other approval indicates the expense was for the Title III STEM (which is an acronym for science, technology, engineering and math) program.
- The purchase document contains appropriate approvals.
- The amount of the purchase document is equal to or greater than the expense amount.
- An invoice or receipt exists from a vendor for the transaction.
- The vendor appears to be legitimate.
- The expense appears to be allowable under grant contracts and applicable regulations.

We were able to locate appropriate documents for all transactions selected for all three fiscal years. All transactions tested had purchase documentation and approvals. None of the transactions tested appear to be falsified or otherwise fraudulent.

However, we did encounter transactions that did not appear to be allowable or that did not have sufficient documentation to determine if the expense was, in fact, allowable. We have categorized these amounts as "Questioned Costs" as that term is defined in 2 CFR Part 200 Section 200.84:

Questioned cost means a cost that is questioned by the auditor because of an audit finding:

(a) Which resulted from a violation or possible violation of a statute, regulation, or the terms and conditions of a Federal award, including for funds used to match Federal funds;

(b) Where the costs, at the time of the audit, are not supported by adequate documentation; or

(c) Where the costs incurred appear unreasonable and do not reflect the actions a prudent person would take in the circumstances.

These Questioned Costs are summarized below with the reason for the determination shown in the table:

Fiscal Year	Appears Unallowable	Insufficient Documentation	Total	Exhibit
2017	\$749.17	\$7,126.74	\$7,875.91	A
2016	\$304.59	\$897.93	\$1,202.52	B
2015	\$2,095.00	\$431.64	\$2,526.64	C



Detailed lists of these transactions, including discussion regarding our determinations, are included in **Exhibits A, B and C** of this report. While we did encounter Questioned Costs in our testwork, these transactions do not appear to be fraudulent and these transactions are not significant when compared to the total amount of grant expenditures. We calculated Questioned Costs as a percentage of total expenditures for each fiscal year:

Fiscal Year	Questioned Costs	Questioned Costs as a % of total expenditures
2017	\$7,875.91	0.94%
2016	\$1,202.52	0.09%
2015	\$2,526.64	0.21%

Since we used sampling, we also extrapolated the Questioned Costs and calculated the extrapolated costs as a percentage of total expenditures for each fiscal year:

Fiscal Year	Extrapolated Questioned Costs	Extrapolated Questioned Costs as a % of total expenditures
2017	\$8,170.03	0.97%
2016	\$1,517.57	0.19%
2015	\$2,641.27	0.24%

Thus, even when extrapolated to cover 100% of transactions, Questioned Costs are less than 1% of all Title III grant expenditures in each fiscal year. While these Questioned Costs are not significant, lapses of internal controls existed at NNMC that allowed these Questioned Costs to be incurred. Please see our recommendations for improving internal controls at NNMC later in this report, as well as in our separate recommendations for improvement report.

Payroll:

Payroll expenses, including salaries and fringe benefits, are included in the expenditures that were reimbursed as part of the Title III grant. The reimbursement of salaries and fringe benefits is allowable under the grant documents and appropriate regulations. We tested payroll paid as part of the Title III grant for cumulative amounts over \$1,000 per employee for FY15, FY16 and FY17.

To test payroll expenses, we obtained a detailed listing by employee of salaries and fringe benefits charged to the grant. For each employee selected we tested the following items:

- Obtained personnel action forms (“PAFs”) for all employees selected. Analyzed forms to determine if actions were approved and if salary and benefit expenses were allocated to the grant.
- Compared total authorized expenditures per the PAFs to the actual expenditures charged to the grant.



We found no exceptions or Questioned Costs during our payroll testing. However, we did find that human resource files were incomplete and did not contain PAFs that were separately kept in the payroll department. Please see our recommendations related to this issue later in this report.

Subrecipient payments:

NNMC makes payments to the University of New Mexico (“UNM”) and Santa Fe Community College (“SFCC”) who are subrecipients of the Title III grant. Both OMB Circular A-133 and the Uniform Grant Guidance require grant recipients to perform certain monitoring procedures over subrecipients of grant funds. The Title III grant awarded to NNMC is a collaborative agreement that includes both UNM and SFCC. As such, the Federal oversight agency is already aware of the existence of these entities and both entities are already monitored by the oversight agency. Because of this agreement, NNMC is only required to review subrecipient awards for allowable costs.

To test subrecipient payments, we requested a general ledger detail for all expenses charged to the grant in fiscal years 2017, 2016 and 2015. We sorted the detail to segregate the expenses paid to UNM and SFCC. The population accounted for 100% of subrecipient payments, and the entire population was tested.

For each subrecipient transaction we tested the following items:

- An invoice was received from the subrecipient.
- Supporting documents were attached to the invoice.
- The invoice amount matches the amount of the payment.

Out of 97 items tested totaling \$2,201,065.12, two invoices were not located. These expenses appear to have been entered as a journal entry. One of the transactions occurred in fiscal year 2017 for \$5,746.18 and one occurred in fiscal year 2015 for \$19,599.36. These two invoices represent 2% of the 97 items tested and 1.15% of the dollar amount tested. We were able to view check copies for these payments and there is nothing on the check copies that would indicate these payments were fraudulent. In fact, we found no evidence of fraudulent payment or defalcation in any of the 97 items tested.

However, we were unable to determine if all payments to subrecipients were allowable. While the vast majority of transactions tested had invoices, not all of the invoices included documentation to support the amounts invoiced. Some invoices had no documentation attached at all and some had partial documentation attached. See table below for a summary of the items without full documentation, by fiscal year:

Fiscal Year	Number of items	Dollar amount
2017	2	\$114,367.25
2016	7	\$181,013.65
2015	29	\$614,426.15
Total	38	\$909,807.05
Total as a % of population	39.18%	41.33%



While none of these payments appear to be fraudulent, NNMC should to take steps to ensure these invoices are being properly monitored for allowable costs and that evidence of these procedures are maintained with the payments. Please see our recommendations later in this report.

Concerns of Whistleblowers:

Mr. Rudmann of the DOEd Post Audit Group, noted that one or more court cases had been filed and settled; in another case, the individual went to trial and won their case. He noted that one or more of the allegations in a particular complaint may have concerned the use of Federal funds. Therefore, Mr. Rudmann requested that we analyze available information to determine if any of these complaints involved allegations that would require investigation as part of this inquiry, or in a separate investigation.

Northern New Mexico College received complaints from several individuals, usually employees, who had various human resources issues and other general allegations of wrongdoing against NNMC, or NNMC employees, but most of these cases did not involve allegations of misuse of Federal funds.

We are not in the position to determine whether or not any of these individuals is a "whistleblower" under either the Federal or New Mexico state statutory definitions. To do so would be well outside the scope of this investigation. Because this report is likely public, we are not going to reveal the identities of the individual complainants in this report, even if their identity has been made public elsewhere. Thus, for the purposes of this report, we will identify and discuss the allegations of each individual under a pseudonym of Complainant A, Complainant B, and so on.

The NNMC Human Resources Department gave us access to several boxes of material, involving many complainants. Most had nothing to do with Title III STEM funding, or Federal funds at all, but rather complained about personality conflicts, allegations of favoritism, lack of promotion, job loss or other HR complaints which are outside of the scope of this investigation. There were 3 complaints which in some way mentioned Federal funds whether Title III or not; these three are discussed below.

Complainant A: This employee alleged that they were illegally being paid from Federal grant funds, which, per Complainant A were designated for new faculty members only, not existing staff; Complainant A was an existing staff member who sought permanent non-Federal grant-related funding. Complainant A alleged that these issues of improper payment under the grant were reported to the DOEd Inspector General. The other allegations made by this complainant concern personnel grievances and issues of the award of tenure. This complaint was eventually filed in NM District Court. Complainant A filed a joint motion with NNMC to dismiss this case, after a settlement was reached.

Analysis and findings: The reimbursement of salaries and fringe benefits is allowable under the grant documents and appropriate regulations. We tested payroll paid as part of the Title III grant for cumulative amounts over \$1,000 per



employee for FY15, FY16 and FY17. Complainant A was not paid more than \$1,000 under Title III during the years tested as part of this examination.

Although it was outside our scope, we tested this complainant's personnel action forms throughout their career and determined that Complainant A was paid under the Title V Aspire grant for a portion of FY12, and was paid under the Title III STEM grant for a portion of FY13.

Complainant A was initially set to be paid through the STEM grant for a portion of FY14, but prior to the end of FY14, Complainant A's payroll was corrected retroactively to the beginning of FY14 to remove Complainant A's payroll from the STEM grant. An email attached to the PAF dated April 29, 2014 stated that it was determined that the Title III STEM grant would not cover Complainant A's salary. It appears on its face that NNMC corrected any error that occurred with the Title III grant funding, which may have occurred during part of FY14. However, if the DOEd Inspector General has indeed received a complaint about this matter and begun an investigation, they should complete their investigation.

Complainant B: This employee alleged that NNMC lacked internal controls, including controls over service contracts, which were unilaterally approved by Ms. Trujillo with little oversight. It was also alleged that NNMC lacked inventory control over equipment "in the extreme", and that it was difficult if not impossible to distinguish between equipment purchased with Federal grant funds, or other funding, and that much of this equipment could not be accounted for by the College. The complainant alleged that \$5,000,000 of Title V Federal grant money had been spent on equipment, much of which was possibly missing. It was alleged that of 585 items of college property, only 60 of those items were entered into the College's property-tracking system. Concerns were also expressed over IT and security of data, including personal information of students, faculty and staff. Complainant B also alleged personnel issues which were not related to Federal funding. Complainant B filed a joint motion with NNMC to dismiss this case, after a settlement was reached.

Analysis and findings: Some of the issues reported by Complainant B are consistent with our findings, such as lack of internal controls over accounting. However, the allegation regarding missing or unaccounted-for inventory of equipment purchased with Title V Federal funds is beyond the scope of this examination. We recommend that a complete inventory be conducted of all equipment purchases over \$5,000, concentrating on those purchased with Title III or Title V Federal grant funds. If requested, McHard Accounting Consulting could perform this task, however, a firm specializing in inventory management and control would also be appropriate, and as part of their engagement, could implement a new inventory control system if one is needed.

We tested payroll paid as part of the Title III grant for cumulative amounts over \$1,000 per employee for FY15, FY16 and FY17. Complainant B was not paid under Title III during the years tested as part of this examination. Additionally, although it was outside our scope, we tested this complainant's personnel action forms



throughout their career and determined that complainant B never received any Federal grant-funded payroll at any time during their NNMC employment.

Complainant C: This employee alleged that equipment purchased with Title V Federal grant money was removed from service and "essentially abandoned". This individual also complained about various HR issues. This complainant's case went to trial, and a jury awarded \$400,000.

Analysis and findings: We tested payroll paid as part of the Title III grant for cumulative amounts over \$1,000 per employee for FY15, FY16 and FY17. Complainant C was not paid under Title III during the years tested as part of this examination. Complainant C's complaints did not appear to involve Title III funding, but rather equipment purchased primarily from Title V funds.

Although it was outside our scope, we tested this complainant's personnel action forms throughout their career and determined that Complainant C was not paid under Title III STEM funding at any point during their NNMC employment.

The allegation regarding missing or unaccounted-for inventory of equipment purchased with Title V or other Federal funds is beyond the scope of this examination. However, we recommend that a complete inventory be conducted of all equipment purchases over \$5,000, concentrating on those purchased with Title III or Title V Federal grant funds. If requested, McHard Accounting Consulting could perform this task, however, a firm specializing in inventory management and control would also be appropriate, and as part of their engagement, could implement a new inventory control system if one is needed.

Only one of these individuals complained about Title III funding, and that complaint concerned payroll reimbursement outside the scope of this investigation (prior to FY15). Despite being outside our scope, we looked into those allegations, and it appears that any error with that complainant's grant-funded salary was corrected at the time, and within the appropriate fiscal year.

As a general observation regarding these complaints, throughout NNMC, there are misunderstandings of the terms of the Title III STEM grant in particular, and Federal funding in general. Many staff members think that they know the rules, but are misinformed. Others misunderstand the application of the grant terms as a reimbursement grant. We recommend that staff and faculty who are paid through Federal grants being given training about the terms of the grant under which they work, so that they will understand how to properly document payroll and other reimbursements, and avoid both violating the terms of the grant, and well as misunderstanding their responsibilities. Such training is frequently available through the grantor, at no charge to the grantee; NNMC should avail themselves of such training.

Conclusions:

We found no evidence that Title III Federal grant funds were embezzled, within the scope of our investigation, as detailed above. During our investigation, we determined that



probable cause exists to believe that a felony embezzlement of Northern New Mexico College's funds occurred, and that Henrietta Trujillo left a letter confessing to that embezzlement. However, we found no evidence that Title III Federal grant funds were stolen.

As of this writing, criminal charges have been neither filed nor adjudicated against anyone in this case, so we use care to discuss these allegations as just that: allegations. Our investigation and interviews were quite revealing about the lack of internal controls at NNMC, and it is easy to see how the embezzlement allegedly perpetrated by the former Financial Services Director could have occurred.

Internal controls at NNMC were severely lacking; at many times during the period covered within the scope of this investigation, the former Financial Services Director had unrestricted access to cash, bank accounts, the HR system, the procurement system and the accounting system, and was in a position to create and approve her own entries, including journal entries which could change or delete transactions during the current fiscal year, or even prior years. At most times germane to this investigation, she effectively had no supervision, and no oversight of any transactions or approvals.

Employees who questioned her or requested documentation were given excuses, or demeaned or even bullied by her, until they stopped asking for documentation, and simply gave up or forgot. Employees in a position to notice problems were, and in some cases still are, underqualified and lacking appropriate training. This is a contributing factor in the perpetration and cover-up of the alleged embezzlement. We will be reporting a number of confidential human resources matters to NNMC which contributed to the ability of the former employee to commit an embezzlement. These reports will be dealt with as confidential personnel issues by NNMC.

Past auditors did not question carried-forward unreconciled cash balances which were a red flag for fraud. Although the amount of these unreconciled cash balances were below the financial statement audits' materiality levels, missing or unreconciled cash is always a red flag for fraud. Indeed, when the FY16 auditors pressed for details about these unreconciled cash balances, with the backing of the NM Office of the State Auditor, Ms. Trujillo resigned her position with a letter admitting that she had embezzled funds.

During our investigation, while we found no evidence to suggest that Federal funding was embezzled, we did find evidence to suggest that additional currency may have been stolen as part of this embezzlement. This information has been passed along to the New Mexico State Police investigator.

Recommendations:

We are preparing a separate recommendations report for NNMC, which covers in detail our numerous recommendations for improvement in a myriad of areas, including accounting and finance, IT, and others. Thus, in this report, we limit our recommendations to major findings and those uncovered specific to the scope of our testing of Title III funds. Many of the changes we recommend in this report have already been implemented by Mr.



Bejarano, or are in the process of approval and implementation. We do not attempt to differentiate between which issues have been resolved, and which are ongoing.

Issue: NNMC has lacked even the most basic internal controls. Single individuals have had access to the entire accounting, finance and banking system without supervision or oversight. This lack of controls allowed a significant defalcation to occur, and to continue undiscovered for a period of years.

Recommendation: Mr. Bejarano has the expertise to remedy NNMC's internal control deficiencies. Mr. Bejarano should work to ensure that appropriate internal controls and systems are put into place and to ensure that these appropriate controls are actually used. The College's financial statement auditors should rigorously test these new systems and controls to ensure continued compliance.

Issue: NNMC staff is unable to generate even the most routine reports and data downloads from their accounting system to perform tasks required of them. NNMC uses the Banner accounting system, but even longstanding employees, who have allegedly used the Banner system for years, cannot generate what we would consider to be basic accounting reports or data dumps, including an inability to generate a full detailed general ledger or detailed trial balance report. NNMC has a single IT person responsible for Banner who is also unable to generate these reports.

Recommendation: NNMC should have a complete evaluation of their accounting system, followed by intense training for all users. The person originally hired to do the training has failed to perform those duties, and has taken on other duties instead. We are unaware of anyone on staff at NNMC who is adequately trained in the Banner system, including the person responsible for administration of the system. Until employees are able to appropriately use and monitor the accounting system, another defalcation could occur and remain undetected for a long period of time.

Issue: Training issues aside, the Banner system has never been properly implemented, with appropriate modules and security features. The system currently allows anyone with approval authorization to approve their own entries, including journal entries into prior years. The only way to safeguard someone from approving their own changes is to ensure that approvers cannot themselves make entries, which can become problematic in a small department. Mr. Bejarano has made changes to ensure that approvers cannot themselves do entry, but those changes have been done manually, rather than through appropriate and automatic system controls.

Furthermore, security issues abound with users receiving access to modules and forms to which they are not entitled. When we asked about these, we were told that it was okay because "people don't know they have access". This absurd notion of security essentially assumes that employees are too stupid to figure out that they have access, and also assumes that nobody accidentally or purposefully tries to complete a form or transaction outside their area. Underestimating people's intelligence is not an IT security control.



Additionally, no users access is ever entirely removed from the IT system, instead, their user name is changed to include the words "Do Not Use", but access remains and is never completely eliminated.

We heard numerous stories regarding employees who had inappropriate material on their computers, and used NNMC computers for non-College business. We were told that such individuals were generally not disciplined, and system controls to prevent such usage were never put into place.

We would consider these to be among the most basic IT security system and accounting controls, and NNMC appears to have none of these controls in place.

Recommendation: NNMC should have a complete evaluation of their software systems and security controls, which must be completed by a competent outside professional. Appropriate security and access modules must be immediately installed or upgraded, and employees' access limited to those modules for which they have appropriate business purpose. Former employees, or those for whom access is no longer needed, must have their access terminated (but prior transactions not deleted). NNMC computer users should not be able to access inappropriate material or perform non-business-related activities on their work computers. NNMC may also need to update computer use policies, and ensure that employees are trained and sign a confirmation understanding appropriate computer use. Appropriate HR action must be taken against those who abuse College computer access privileges.

Issue: Testing of grant expenditures uncovered Questioned Costs. These Questioned Costs included both expenses that appeared unallowable, as well as expenses that did not have enough documentation included to determine if the expense was allowable. Some of the Questioned Costs include excessive amounts paid for travel, alcohol included in one meal reimbursement, meal reimbursements without appropriate receipts and purchase of promotional items without documentation showing how the items were used for the STEM program.

Recommendation: Employees overseeing approval and payment of grant expenses should have training to recognize costs that are unallowable. Unallowable costs are discussed in both the Uniform Grant Guidance and regulations promulgated by the Department of Education. Employees overseeing approval and payment of grant expenses should be very familiar with these requirements. If an employee who is traveling incurs costs that are not allowable, the employee should not be reimbursed for these costs. We would also recommend NNMC send a communication to all employees who travel about which costs are allowable and therefore will be reimbursed and which costs will not be reimbursed.

Issue: Human resource files were incomplete and missing certain PAFs. Fortunately, the separate files kept by the Payroll Manager, Tessie Trujillo Lopez, were complete.

Recommendation: Employees in the human resources department should perform an audit of all employee files to ensure each file has all necessary documentation.



Any items that are missing should be collected and properly filed. We also recommend the human resource department create a checklist for the employee file which documents all items that should be included in this file. The checklist should be completed and signed by the appropriate human resources employee each time there is a change in employee status.

Issue: It is unclear from our testing if NNMC employees are properly reviewing payments to subrecipients for allowable costs.

Recommendation: Employees overseeing payments to subrecipients should have training to recognize costs that are unallowable. Subrecipients should be required to provide supporting documentation for all reimbursement requests. The supporting documentation should be kept with the invoice for future review by NNMC employees and auditors.

It is unclear why Northern New Mexico College, which is a small institution with fewer finance employees and essentially one grant compliance staff member is administering the Title III STEM grant with UNM, and others, as subrecipients. UNM has many more resources and, presumably, a more robust finance and grant compliance department. In the future, if the grant is to continue, we recommend that UNM be the recipient organization, and NNMC and others be subrecipients of the UNM grant.

Issue: During our interviews, as well as during our examination of written complaints, we learned of complaints around inventory for, and accounting of, fixed assets. It was alleged that few assets are listed in the NNMC property and inventory tracking system. It was further alleged that items purchased with Title V Federal funding have been disposed of, are missing or unlocated, and/or that items purchased with Federal funding have been disposed of improperly. Technology has a short life, and it is likely that certain technology purchases made with Federal funds in prior years are now obsolete, those should be properly disposed of and accounted for as required in the grant documents or per policy.

Recommendation: We recommend that a complete inventory be conducted of all equipment purchases over \$5,000, concentrating on those purchased with Title III or Title V Federal grant funds. If requested, McHard Accounting Consulting could perform this task, as part of a separate scope of work. However, a firm specializing in inventory management and control would also be appropriate, and as part of their engagement, could implement a new inventory control system if one is needed.

Once such an inventory is complete and correct, NNMC should adjust their fixed assets in a way that comports with Generally Accepted Government Accounting Standards. At the end of the inventory, Federal grant funders should be notified of the results, including any items which are determined to be lost, missing or misappropriated.

Issue: We found that NNMC has no policy requiring disclosure of familial relationships among employees or requiring the disclosure of potential conflicts of interest, nor is there



any policy precluding someone from supervising their own spouse or family member, or requiring the disclosure of a potential conflict of interest with a vendor or other party. Northern New Mexico and the Espanola Valley are small, tightly knit communities. It would be difficult to remove all potential conflicts of interest, but these should at least be disclosed, so that the person with the conflict can be replaced in a particular role. For example, someone with a potential conflict of interest should not be making a purchasing decision involving a family member or former employer.

Recommendation: We recommend that NNMC immediately implement a policy of requiring full disclosure of all familial relationship among faculty, staff and students. We also recommend that family members be precluded from supervising a spouse or family member. All conflicts of interest and potential conflicts of interest must be disclosed to the Administration, so that appropriate actions can be taken to eliminate or mitigate concerns.

Issue: Throughout NNMC, there are misunderstandings of the terms of the Title III STEM grant in particular, and Federal funding in general. Many staff members think that they know the rules, but are misinformed, others misunderstand the application of the grant terms as a reimbursement grant.

Recommendation: We recommend that staff and faculty who are paid through Federal grants being given training about the terms of the grant under which they work, so that they will understand how to properly document payroll and other reimbursements, and avoid both violating the terms of the grant, and well as misunderstanding their responsibilities. Such training is frequently available through the grantor, at no charge to the grantee; NNMC should avail themselves of such training.

Additional issues and recommendations will be discussed in our recommendations for improvement report, which will follow in a separate letter.

Technical notes:

Our work is not a financial statement audit and should not be relied on for such purposes. We did not conduct any review of financial statements, as the term "review" is defined in accounting professional standards. We offer no assurance, as that term is defined in accounting professional standards, as to any financial reporting of Northern New Mexico College, in general, or as to federal grant funding, in particular. This engagement has been completed under the Statements of Standards on Consulting Services as published by the American Institute of Certified Public Accountants.

In conducting this examination and investigation, McHard Accounting Consulting LLC was provided with the documents listed at the beginning of this report. We relied on these documents during this examination and on the interviews we performed, in conducting this analysis and investigation, and in forming our opinions as to this matter. If documents or other information later becomes available which supersede, update or correct the documents and information we relied on, we reserve the right to examine the new



documentation and information to inform and potentially revise relevant facts and our opinions as stated here.

We appreciate the opportunity to assist you with this matter. Please do not hesitate to contact us if you have any questions.

Our *curriculum vitae* are **Attachment A, B and C** to this letter.

Sincerely,



Janet M. McHard, CPA, CFE, MAFF, CFF
Founding Partner



Beth A. Mohr, CFE, CAMS, CCCI, PI¹
Managing Partner



Anne M. Layne, CPA/CFF, CFE, CAMS
Partner

cc: Kevin Sourisseau, NM Acting Deputy State Auditor, via email to Kevin.Sourisseau@osa.state.nm.us
- and -
Max Rudmann, Post Audit Group, Office of the Chief Financial Officer, US Department of Education, via email to Max.Rudmann@ed.gov

Exhibits as noted

Attachments as noted

¹ NM-Private Investigator License #2878



Bejarano re NNMC
 FY 2017 - Questioned Costs

Document	Description	Transaction Date	Questioned Cost?	Questioned Amount	Category	Notes
17-0848	Holiday Inn-Title III	4-Aug-16	Y	\$ 99.10	Appears unallowable	Rooms were booked for conference, which was an approved grant expense. The conference was moved and the hotel reservations were not cancelled. Rooms were charged as no shows. This is not allowable as these expenses did not further the grant and other expenses were incurred for the conference.
17-0848	Holiday Inn-Title III	4-Aug-16	Y	99.10	Appears unallowable	Rooms were booked for conference, which was an approved grant expense. The conference was moved and the hotel reservations were not cancelled. Rooms were charged as no shows. This is not allowable as these expenses did not further the grant and other expenses were incurred for the conference.
10077795	American Association of University	22-Aug-16	Y	334.00	Appears unallowable	(2) \$167 memberships; provides assistance to members related to "academic freedom", including advocacy for faculty and human resources issues. Does not appear to be allowable under grant guidelines.
10080526	Salazar, Leanne C.	6-Mar-17	Y	10.00	Appears unallowable	Parking for NNMC day at State legislature. Documentation does not state how this charge is related to STEM.

Bejarano re NNMC
 FY 2017 - Questioned Costs

Document	Description	Transaction Date	Questioned Cost?	Questioned Amount	Category	Notes
I0081082	Salazar, Leanne C.	18-Apr-17	Y	130.00	Appears unallowable	Included on check 82188 with 872.92 reimbursement. No documentation included for the \$130 - which is described on the check stub as a registration fee for AERA. Registration fee for AERA included in reimbursement paid by check 82224. This is a duplicate payment.
I0081339	Salazar, Leanne C.	4-May-17	Y	76.97	Appears unallowable	Partial questioned cost. Ms. Salazar took a personal vehicle to San Antonio instead of flying. Quoted airfare was \$587.96, mileage paid was \$544.96 however additional parking charges of \$42.00 and an additional night of hotel totaling \$77.97 were incurred resulting in questioned costs of \$76.97. It appears Ms. Salazar was accompanied by family members.
I0077831	Homeboy Goes To Harvard	24-Aug-16	Y	4,150.00	Insufficient documentation	Pur Doc. is Stipend/Honorarium Form; invoice for \$3,500 does not include travel reimbursements which totaled \$650 per the stipend agreement. Documentation does not state the content of the presentation or who attended the presentation. Unable to determine allowability.

Bejarano re NNMC
 FY 2017 - Questioned Costs

Document	Description	Transaction Date	Questioned Cost?	Questioned Amount	Category	Notes
I0078160	4 Imprint Company	13-Sep-16	Y	1,259.17	Insufficient documentation	Purchase of promotional items - 100 bags. Documentation does not reflect how items were used for Hispanic Students or for STEM program.
I0078268	ProSource Specialties	21-Sep-16	Y	1,717.57	Insufficient documentation	Purchase of promotional items - 250 notebooks. Documentation does not reflect how items were used for Hispanic Students or for STEM program.
			Total	\$ 7,875.91		
			Appears unallowable	\$ 749.17		
			Insufficient documentation	\$ 7,126.74		

Bejarano re NNMC
 FY 2016 - Questioned Costs

Document	Description	Transaction Date	Questioned Cost?	Questioned Amount	Category	Notes
I0075935	Salazar, Leanne C.	5-Apr-16	Y	\$ 86.50	Appears unallowable	Receipts were not turned in for \$86.50 worth of reimbursed meals. Unable to determine if items purchased were reasonable and allowable. Substitute "receipts" were prepared but were not approved by anyone other than Ms. Salazar.
I0076215	Hira, Ajit S.	26-Apr-16	Y	77.16	Appears unallowable	One meal receipt at Bistro 300 included wine purchased for \$8.50. Alcohol is not an allowable expense. Meal receipt for Noodles & Co was missing. Cost is listed at \$8.25. A receipt for Bistro 300 for \$20.41 is not itemized. Airport parking was paid at a rate of \$10.00 for the airport parking garage. Off airport lots are a fraction of the cost. Parking charge does not seem reasonable.
I0076216	Hira, Ajit S.	26-Apr-16	Y	60.93	Appears unallowable	Travel reimbursement - missing receipt for one meal totaling \$10.93. Also, parking at airport was \$50 for 5 days. Fee paid was for lost parking ticket. Parking was paid for garage at airport instead of off airport lots which cost less than \$5 per day. Parking fee does not seem reasonable.

Bejarano re NNMC
 FY 2016 - Questioned Costs

Document	Description	Transaction Date	Questioned Cost?	Questioned Amount	Category	Notes
10076236	Salazar, Leanne C.	27-Apr-16	Y	80.00	Appears unallowable	Payment is reimbursement for travel to Nashville. Nashville travel was reimbursed in full and paid previously. Documentation shows previous travel request with \$80 circle. There is no indication why the additional funds were paid.
10076376	4 Imprint Company	4-May-16	Y	897.93	Insufficient documentation	Promotional items - pens/highlighters. Does not state the items were specifically for STEM or how they would benefit the program.
			Total	\$ 1,202.52		
			Appears unallowable	\$ 304.59		
			Insufficient documentation	\$ 897.93		

Bejarano re NNMC
 FY 2015 - Questioned Costs

Document	Description	Transaction Date	Questioned Cost?	Questioned Amount	Category	Notes
I0068668	Dominos Pizza L L C	19-Aug-14	Y	\$ 74.00	Appears unallowable	Pizza for new students orientation. Unclear if this charge is allowable under the grant or how it would support the program goals.
I0069217	Suarez, Maria D.	29-Sep-14	Y	2,000.00	Appears unallowable	Per documentation attached, relocation expenses are allowable only if the college has a "well-managed recruitment program" and this was not only offered to one staff member. Unclear as to the recruiting program and if it would meet this definition.
I0069282	Mehta, Vishal R.	2-Oct-14	Y	21.00	Appears unallowable	Airport parking paid for parking garage at a rate of \$7 per day. Airport parking is available for lower than \$5 at off airport lots. Parking charges are unreasonably high.
I0068790	Comfort Suites	26-Aug-14	Y	431.64	Insufficient documentation	Documentation does not include invoice showing room charges. Unclear if additional items were charged to the rooms or that the rooms were for the listed employees.
			Total	\$ 2,526.64		
			Appears unallowable	\$ 2,095.00		
			Insufficient documentation	\$ 431.64		



McHard Accounting Consulting LLC

933 San Mateo Blvd NE, Suite 500-151, Albuquerque, NM 87108
505/554-2968 Phone 877/279-2942 Fax

JANET M. McHARD, MBA, CPA, CFE, MAFF, CFF, CGMA, PI

EDUCATION:

Bachelor of Arts - December 1994
University of New Mexico

Master of Business Administration - August 1997
Robert O. Anderson Graduate School of Management
University of New Mexico

PROFESSIONAL DESIGNATIONS:

Certified Public Accountant
State of New Mexico – August 1998
State of Arizona – June 2013
State of California – December 2015

Certified Fraud Examiner - December 1999
Association of Certified Fraud Examiners

Master Analyst in Financial Forensics, as of April 2013, formerly known
as Certified Forensic Financial Analyst as of March 2007, originally
awarded as Certified in Fraud Deterrence in January 2004
National Association of Certified Valuation Analysts

Certified in Financial Forensics – November 2008
American Institute of Certified Public Accountants

Private Investigator
State of New Mexico – Firm – License 2878
State of Arizona – Associate – License 1639940
State of California – President – License 29074

Chartered Global Management Accountant – August 2014
American Institute of Certified Public Accountants

PROFESSIONAL EMPLOYMENT:

McHard Accounting Consulting, LLC – July 2009 to present
Founding Partner
Albuquerque, New Mexico

Association of Certified Fraud Examiners – October 2003 to present
Faculty
Austin, Texas

ATTACHMENT A

City of Albuquerque – February 2010 to September 2010
Inspector General
Albuquerque, New Mexico

Meyners + Company, LLC - November 2000 to July 2009
Senior Manager, Business and Tax Services
Albuquerque, New Mexico

Meyners + Company, LLC - August 1998 to November 2000
Senior, Audit Department
Albuquerque, New Mexico

Arthur Andersen LLP - August 1997 to August 1998
Staff Accountant, Economic and Financial Services
Albuquerque, New Mexico

Law Offices of E. Justin Pennington - July 1994 to January 1997
Legal Secretary and Paralegal
Albuquerque, New Mexico

John M. H. Allen, M.B., B.S., F.R.C.S.
Orthopaedic Surgeon - January 1988 to July 1994
Business Manager
Albuquerque, New Mexico

PROFESSIONAL ASSOCIATIONS:

American Institute of Certified Public Accountants

New Mexico Society of Certified Public Accountants

Association of Certified Fraud Examiners
Past Treasurer, NM Chapter Assoc. of Certified Fraud Examiners
Past President, NM Chapter Assoc. of Certified Fraud Examiners

National Association of Certified Valuation Analysts

Association of Government Accountants (National and New Mexico) -
past

Institute of Internal Auditors (National and New Mexico) – past

PROFESSIONAL COMMITTEES:

Association of Certified Fraud Examiners, Board of Regents Advisory
Working Group, member

Association of Certified Fraud Examiners, Professional Development
Committee, past member



PUBLICATIONS:

McHard, Janet M. & Mohr, Beth Anne. *September/October 2012*.
Career Connection: Hanging out your Shingle, Part 2. *Fraud Magazine*.

McHard, Janet M. & Mohr, Beth Anne. *Vol 27, No. 4, July/August 2012*.
Career Connection: Hanging out your Shingle, Part 1. *Fraud Magazine*.

McHard, Janet M. & Mohr, Beth A. *Vol. 26, No. 4, July/August 2011*.
Hotlines for Heroes: Making a Fraud Hotline Accessible and Successful.
Fraud Magazine.

McHard, Janet M. (2007). They Didn't Know Jack. In J. T. Wells (Ed.),
Fraud Casebook: Lessons from the Bad Side of Business (pp. 137-
144). Hoboken, NJ: John Wiley & Sons.

HONORS:

2017 James Baker Award – Speaker of the Year at 28th Annual Global
Association of Certified Fraud Examiners Conference

2016 Woman to Watch – Experienced Leader, New Mexico Society of
Certified Public Accountants.

2016 Inductee to the University of New Mexico Anderson Schools of
Management Hall of Fame.

PROFESSIONAL SPEAKING:

Date: December 2017
Group: American Bar Association: 34th Annual National
Institute on Criminal Tax Fraud and the 7th Annual
Institute on Tax Controversy
Topic: Tools and Toys: How an Internal Investigator Can
Help
Location: Las Vegas, Nevada

Date: November 2017
Group: Association of Certified Fraud Examiners
Topic: Auditing for Internal Fraud – custom course
Location: San Diego, California

Date: October 2017
Group: Hawaii Chapter of Association of Certified Fraud
Examiners
Topic: Fraud Case Studies and Ethical Considerations in
Fraud Examinations
Location: Honolulu, Hawaii



Date: September 2017
Group: Association of Certified Fraud Examiners – Greater Kansas City Chapter
Topic: Ethical Considerations, Case Studies and Expert Witness Seminar
Location: Kansas City, Kansas

Date: September 2017
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Interviewing for the facts: Getting from “Yes” to “No” to Resolution and Beyond
Location: Albuquerque, New Mexico

Date: August 2017
Group: Association of Certified Fraud Examiners
Topic: Financial Statement Fraud
Location: Las Vegas, Nevada

Date: August 2017
Group: Oklahoma State Auditors
Topic: Anatomy of Fraud: Insights from Real Cases
Location: Oklahoma City, Oklahoma

Date: June 2017
Group: 28th Annual Global Association of Certified Fraud Examiners Annual Conference
Topic: Auditing/Investigating Fraud Seminar
Location: Nashville, Tennessee

Date: June 2017
Group: 28th Annual Global Association of Certified Fraud Examiners Annual Conference
Topic: Bad Accounting or Criminal Act: The Challenge of Proving Intent
Location: Nashville, Tennessee

Date: May 2017
Group: Keshet Center for the Arts - KIIC
Topic: Accounting for Artists
Location: Albuquerque, New Mexico

Date: May 2017
Group: Association of Certified Fraud Examiners – Knoxville Chapter
Topic: Detecting Fraud through Vendor Audits
Location: Knoxville, Tennessee



Date: April 2017
Group: Association of Certified Fraud Examiners
Topic: CFE Exam Prep Course
Location: Austin, Texas

Date: January 2017
Group: Association of Certified Fraud Examiners – Ottawa (Ontario, Canada) Chapter
Topic: Conducting Internal Investigations and Auditing for Internal Fraud
Location: Ottawa, Ontario, Canada

Date: December 2016
Group: American Bar Association: 33rd Annual National Institute on Criminal Tax Fraud and the 6th Annual Institute on Tax Controversy
Topic: Addressing Employment Tax Issues in Sensitive Examinations
Location: Las Vegas, Nevada

Date: October 2016
Group: Embry-Riddle Aeronautical University
Topic: Fraud Examinations: Methodology, Interviews & Case Studies
Location: Prescott, Arizona

Date: September 2016
Group: Paralegal Division – New Mexico State Bar
Topic: Financial Discovery: Dealing with what you do and don't have
Location: Albuquerque, New Mexico

Date: September 2016
Group: First National Rio Grande and First National Santa Fe
Topic: Red Flags of Fraud: What to look for and how to control fraud in your business
Location: Albuquerque and Santa Fe, New Mexico

Date: June 2016
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Panel Participant: Expert (and Fact) Witness Seminar
Location: Albuquerque, New Mexico



Date: June 2016
Group: Association of Certified Fraud Examiners Annual Conference
Topic: Chapter Leaders' Meeting: Success Begins at the Top: Creating Leaders in Your Chapter – Beyond the "Strategy of Hope"
Location: Las Vegas, Nevada

Date: May 2016
Group: Association of Certified Fraud Examiners – El Paso (Texas) Chapter
Topic: Ethical Considerations in Fraud Examinations & Fraud in Governmental Entities: Case Studies and Other Fun Stories
Location: El Paso, Texas

Date: May 2016
Group: Administrative Office of the U.S. Courts Defender Services Office, Training Division, Federal Defender Investigator and Paralegal Seminar
Topic: Forensic Accounting Part I: Dealing With What You Don't Have
Location: Chicago, Illinois

Date: May 2016
Group: Administrative Office of the U.S. Courts Defender Services Office, Training Division, Federal Defender Investigator and Paralegal Seminar
Topic: Forensic Accounting Part II: Dealing With What You Do Have
Location: Chicago, Illinois

Date: March 2016
Group: The Conference That Counts!
Topic: Ethical Considerations in Fraud Examinations & Fraud in Governmental Entities: Case Studies and Other Fun Stories
Location: Albany, New York

Date: January 2016
Group: Association of Certified Fraud Examiners
Topic: Financial Statement Fraud – International Financial Reporting Standards Version
Location: Vancouver, British Columbia, Canada

Date: December 2015
Group: Association of Certified Fraud Examiners
Topic: Specialized Knowledge Course
Location: Washington, District of Columbia



Date: December 2015
Group: American Bar Association: 32nd Annual National Institute on Criminal Tax Fraud and the 5th Annual Institute on Tax Controversy
Topic: When the Past Isn't the Past: How To Correct Past Wrongdoing
Location: Las Vegas, Nevada

Date: November 2015
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Panel Participant: The Witness Stand
Location: Albuquerque, New Mexico

Date: November 2015
Group: Association of Certified Fraud Examiners – Raleigh Chapter of the ACFE
Topic: Investigating Conflicts of Interest
Location: Raleigh, North Carolina

Date: October 2015
Group: New York Chapter of the Association of Certified Fraud Examiners – Investigations 2015
Topic: Case Study: Ethical Obligations in Examinations
Location: New York, New York

Date: August 2015
Group: New Mexico State Bar, 2015 Tax Seminar
Topic: *Kovel* Accounting
Location: Albuquerque, New Mexico

Date: June 2015
Group: Association of Certified Fraud Examiners Annual Conference
Topic: Using Tax Returns in Investigations
Location: Baltimore, Maryland

Date: April 2015
Group: Association of Certified Fraud Examiners
Topic: Financial Statement Fraud – International Financial Reporting Standards Version
Location: Toronto, Ontario, Canada

Date: March and April 2015 (various dates)
Group: Association of Certified Fraud Examiners
Topic: CFE Exam Prep Course
Location: Via Webinar



Date: March 2015
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Case Study: Ethical Obligations in Examinations
Location: Albuquerque, New Mexico

Date: March 2015
Group: Association of Certified Fraud Examiners
Topic: Using Tax Returns in Examinations
Location: Via Webinar

Date: February 2015
Group: Association of Certified Fraud Examiners
Topic: CFE Exam Prep Course
Location: Las Vegas, Nevada

Date: February 2015
Group: Wells Fargo Specialty Markets Group
Topic: Anatomy of Theft & Personality of a Thief
Location: Albuquerque, New Mexico

Date: February 2015
Group: Association of Certified Fraud Examiners
Topic: Fraud Risk Management
Location: New Orleans, Louisiana

Date: January 2015
Group: United Way of Central New Mexico – Center for Nonprofit Excellence
Topic: Red Flags of Fraud for Nonprofit Organizations
Location: Albuquerque, New Mexico

Date: January 2015
Group: New Mexico Criminal Defense Lawyers Association
Topic: Gaining Trust in Your Trust Account; Ethical and Practical Issues of Accepting and Accounting for Client Funds, Co-Speaker and Panelist
Location: Albuquerque, New Mexico

Date: January 2015
Group: Association of Governmental Accountants – Albuquerque Chapter
Topic: An Update on AU-C 240: Today's Name for Consideration of Fraud in a Financial Statement Audit
Location: Albuquerque, New Mexico



Date: December 2014
Group: American Bar Association: 31st Annual National Institute on Criminal Tax Fraud and the 4th Annual Institute on Tax Controversy
Topic: Eggshell Audits in a Comprehensive Tax Enforcement Environment
Location: Las Vegas, Nevada

Date: November 2014
Group: Association of Certified Fraud Examiners
Topic: CFE Exam Prep Course
Location: San Antonio, Texas

Date: November 2014
Group: Central Carolina Chapter of Certified Fraud Examiners
Topic: Effective Report Writing for Fraud Examiners
Location: Raleigh, North Carolina

Date: October 2014
Group: San Juan Basin Chapter, New Mexico Society of Certified Public Accountants
Topic: Red Flags of Fraud
Location: Farmington, New Mexico

Date: October 2014
Group: Association of Certified Fraud Examiners
Topic: Fraud Risk Management
Location: Seattle, Washington

Date: September 2014
Group: Association of Certified Fraud Examiners
Topic: Effective Report Writing for Fraud Examiners
Location: Las Vegas, Nevada

Date: September 2014
Group: 2014 Santa Fe County and Rio Arriba County Treasurer's Affiliate Summer Conference
Topic: Fraud Prevention Case Study
Location: Santa Fe, New Mexico

Date: August 2014
Group: New Mexico Defense Lawyers Association – Women in the Courtroom V
Topic: Are You Smarter Than An Expert Witness? Mounting and Defending a *Daubert* Challenge
Location: Albuquerque, New Mexico



Date: July 2014
Group: Association of Certified Fraud Examiners
Topic: Conducting Internal Investigations – State Fund of California
Location: Vacaville, California

Date: July 2014
Group: Association of Certified Fraud Examiners
Topic: Financial Statement Fraud
Location: San Francisco, California

Date: June 2014
Group: Association of Certified Fraud Examiners Annual Conference
Topic: Selling Your Services: Marketing Tips for CFEs
Location: San Antonio, Texas

Date: June 2014
Group: New Mexico Gaming Control Board
Topic: Understanding Financial Statements and Financial Statement Fraud, Interactive Case Studies, Conducting Investigative Interviews and Admission Seeking Interviews. *Course Certified for Law Enforcement credit by the NM Department of Public Safety*
Location: Albuquerque, New Mexico

Date: May 2014
Group: New Mexico Gaming Control Board
Topic: Fraud Basics, Basic Financial Investigations with Case Studies, Using Tax Returns in Financial Investigations, Casino Compliance, the Bank Secrecy Act and Anti-Money Laundering. *Course Certified for Law Enforcement credit by the NM Department of Public Safety*
Location: Albuquerque, New Mexico

Date: May 2014
Group: Association of Certified Fraud Examiners – NM Chapter
Topic: ACFE Professional Standards – “Don’t Let Your Tongue Trip You Up”
Location: Albuquerque, New Mexico

Date: April 2014
Group: New Mexico Regulation – Securities Division
Topic: Interviewing and Interrogation
Location: Santa Fe, New Mexico



Date: March 2014
Group: The Conference That Counts!
Topic: Why Fraud Happens, Fraud Prevention and Interactive Fraud Case Studies
Location: Albany, New York

Date: December 2013
Group: New Mexico Government Finance Officers Association
Topic: Fraud Prevention through Process Improvement
Location: Albuquerque, New Mexico

Date: October 2013
Group: McHard Accounting Consulting and Don Rabon
Topic: Contemporary Interviewing Dynamics
Location: Albuquerque, New Mexico

Date: October 2013
Group: Institute of Internal Auditors – El Paso Chapter
Topic: Fraud Seminar: Case Studies
Location: El Paso, Texas

Date: July 2013
Group: DOE Contractors Internal Audit Directors
Topic: Fraud Prevention: Tone at the Top
Location: Albuquerque, New Mexico

Date: June 2013
Group: Association of Certified Fraud Examiners – New Mexico Taxation and Revenue Dept., Tax Fraud Investigations Division
Topic: Conducting Internal Investigations
Location: Albuquerque, New Mexico

Date: May 2013
Group: New Mexico Chapter International Association of Special Investigations Units
Topic: Forensic Accountants: An Aid to Claims Investigations
Location: Albuquerque, New Mexico

Date: January 2013
Group: Association of Certified Fraud Examiners
Topic: CFE Exam Prep Course
Location: Las Vegas, Nevada

Date: November 2012
Group: Association of Certified Fraud Examiners – Sandia National Laboratory
Topic: Legal Elements of Fraud and Professional Interviewing Skills for Fraud Examiners
Location: Albuquerque, New Mexico



Date: October 2012
Group: Association of Certified Fraud Examiners – NM Chapter
Topic: Fraud Examination: Case Studies in Government
Location: Albuquerque, New Mexico

Date: October 2012
Group: Association of Certified Fraud Examiners
Topic: Using Data Analytics to Detect Fraud
Location: Los Angeles, California

Date: October 2012
Group: United Way of Central New Mexico – Center for Non-Profit Excellence
Topic: Red Flags of Fraud for Non-Profit Organizations
Location: Albuquerque, New Mexico

Date: September 2012
Group: New Mexico Criminal Defense Lawyers Association
Topic: White Collar Crime Symposium: Thoughtcrime: Defending on the Battlefield of Intent – Panel Member
Location: Albuquerque, New Mexico

Date: September 2012
Group: Association of Certified Fraud Examiners – Indiana Gaming Commission
Topic: Custom two-day course
Location: Indianapolis, Indiana

Date: August 2012
Group: Association of Certified Fraud Examiners – Oklahoma State Auditor Training
Topic: Investigating Conflicts of Interest
Location: Oklahoma City, Oklahoma

Date: August 2012
Group: Association of Certified Fraud Examiners – Jefferson County Public Schools
Topic: Conducting Internal Investigations
Location: Louisville, Kentucky

Date: July 2012
Group: Association of Certified Fraud Examiners
Topic: Conducting Internal Investigations
Location: Washington, District of Columbia



Date: June 2012
Group: Association of Certified Fraud Examiners Annual Conference
Topic: Fraud Analytics: Taking Data Analysis to the Next Level
Location: Orlando, Florida

Date: June 2012
Group: Association of Certified Fraud Examiners Annual Conference
Topic: Hanging Out Your Shingle Without Messing Up
Location: Orlando, Florida

Date: June 2012
Group: Association of Certified Fraud Examiners
Topic: Chapter Representatives Meeting - Facilitator
Location: Orlando, Florida

Date: June 2012
Group: Association of Certified Fraud Examiners – DCAA Custom Course
Topic: Using Data Analytics to Detect Fraud
Location: Denver, Colorado

Date: April 2012
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Ethics for Fraud Examiners: Professional Standards and Conflicts of Interest, Part II
Location: Albuquerque, New Mexico

Date: April 2012
Group: Association of Certified Fraud Examiners
Topic: CFE Exam Prep Course
Location: Las Vegas, Nevada

Date: April 2012
Group: Association of Certified Fraud Examiners
Topic: Auditing for Internal Fraud – Custom Course
Location: Las Vegas, Nevada

Date: March 2012
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Ethics for Fraud Examiners: Professional Standards and Conflicts of Interest, Part I
Location: Albuquerque, New Mexico



Date: January 2012
Group: Association of Certified Fraud Examiners
Topic: Investigating Conflicts of Interest
Location: Los Angeles, California

Date: August 2011
Group: Association of Governmental Accountants – El Paso Chapter, Professional Development Conference
Topic: Hotlines for Heroes
Location: El Paso, Texas

Date: July 2011
Group: Association of Certified Fraud Examiners – Habif, Arogeti & Wynne, LLP
Topic: Specialized Knowledge
Location: Atlanta, Georgia

Date: June 2011
Group: Association of Certified Fraud Examiners, Annual Conference
Topic: Member - Audit Panel: Increasing Audit Effectiveness in Deterring and Detecting Fraud
Location: San Diego, California

Date: June 2011
Group: Association of Certified Fraud Examiners, Annual Conference
Topic: Member - Fraud Risk Assessment Panel: Actions Speak Louder Than Words
Location: San Diego, California

Date: May 2011
Group: United Way of Central New Mexico – Center for Non-Profit Excellence
Topic: Red Flags of Fraud for Non-Profit Organizations
Location: Albuquerque, New Mexico

Date: May 2011
Group: Association of Certified Fraud Examiners
Topic: Conducting Internal Investigations
Location: San Antonio, Texas

Date: April 2011
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Financial Statement Fraud
Location: Albuquerque, New Mexico



Date: April 2011
Group: Association of Governmental Accountants
Topic: Government Fraud Case Studies – NM PDC
Location: Albuquerque, New Mexico

Date: March 2011
Group: Association of Certified Fraud Examiners
Topic: CFE Exam Prep Course
Location: Providence, Rhode Island

Date: January 2011
Group: New Mexico Criminal Defense Lawyers Association
Topic: Ring Out the Old, Ring in the New: Law Practice Management 2011 – Fraud Basics
Location: Albuquerque, New Mexico

Date: December 2010
Group: Association of Certified Fraud Examiners
Topic: Auditing for Internal Fraud and Investigating Conflicts of Interest
Location: Plano, Texas

Date: November 2010
Group: University of New Mexico School of Law
Topic: Use of Experts in Litigated Matters
Location: Albuquerque, New Mexico

Date: November 2010
Group: Association of Certified Fraud Examiners
Topic: Investigating Conflicts of Interest
Location: Orlando, Florida

Date: November 2010
Group: Association of Certified Fraud Examiners – KMJ
Corbin and Company, LLP
Topic: Auditing for Internal Fraud
Location: Costa Mesa, California

Date: September 2010
Group: Association of Certified Fraud Examiners
Topic: Auditing for Internal Fraud
Location: Salt Lake City, Utah

Date: August 2010
Group: Association of Certified Fraud Examiners
Topic: CFE Exam Prep Course
Location: Chicago, Illinois



Date: August 2010
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Prevention of Management and Occupation Fraud - Hotlines
Location: Albuquerque, New Mexico

Date: July 2010
Group: Institute of Internal Auditors – Albuquerque Chapter
Topic: When Your Audit Takes a Left Turn into Investigation
Location: Albuquerque, New Mexico

Date: July 2010
Group: Association of Government Accountants – Albuquerque and New Mexico Chapters
Topic: Red Flags of Fraud
Location: Santa Fe, New Mexico

Date: June 2010
Group: Association of Certified Fraud Examiners
Topic: CFE Exam Prep Course
Location: McLean, Virginia

Date: May 2010
Group: Albuquerque Chapter of CPAs
Topic: Forensic Accounting: Basics to Case Studies
Location: Albuquerque, New Mexico

Date: March 2010
Group: Association of Certified Fraud Examiners – NM Chapter
Topic: Procurement Fraud
Location: Albuquerque, New Mexico

Date: March 2010
Group: Association of Certified Fraud Examiners – IIA LA Chapter
Topic: Auditing for Internal Fraud
Location: Los Angeles, California

Date: March 2010
Group: Association of Certified Fraud Examiners
Topic: Auditing for Internal Fraud
Location: New York City, New York

Date: January 2010
Group: New Mexico Criminal Defense Lawyers Association
Topic: Financial Resolve: Saving Your Assets and Stay Organized: Dealing with Your Trust Account
Location: Albuquerque, New Mexico



Date: November 2009
Group: Association of Certified Fraud Examiners – San Manuel Gaming Commission
Topic: Fraud Prevention/Auditing for Internal Fraud
Location: Highland, California

Date: November 2009
Group: University of New Mexico School of Law
Topic: Use of Experts in Litigated Matters
Location: Albuquerque, New Mexico

Date: September 2009
Group: American Payroll Association - Albuquerque Chapter
Topic: Portrait of a Thief
Location: Albuquerque, New Mexico

Date: July 2009
Group: Association of Certified Fraud Examiners – Annual Conference
Topic: Fraud Prevention Tips: Best (and Worst) Practices - Things My Clients Have Taught Me
Location: Las Vegas, Nevada

Date: June 2009
Group: Association of Certified Fraud Examiners – NM TRD Fraud Investigation Division
Topic: Auditing for Internal Fraud
Location: Albuquerque, New Mexico

Date: May 2009
Group: New Mexico Taxation and Revenue – General Services Division
Topic: Fraud Basics
Location: Santa Fe, New Mexico

Date: May 2009
Group: Association of Certified Fraud Examiners – NM DVR
Topic: Fraud Prevention
Location: Albuquerque, New Mexico

Date: April 2009
Group: Association of Government Accountants
Topic: Fraud Prevention Tips: Best (and Worst) Practices - Things My Clients Have Taught Me
Location: Albuquerque, New Mexico

Date: April 2009
Group: Association of Certified Fraud Examiners – NM DVR
Topic: Fraud Prevention
Location: Santa Fe, New Mexico



Date: April 2009
Group: Association of Certified Fraud Examiners - UHY Advisors
Topic: Report Writing & Conducting Internal Investigations
Location: Houston, Texas

Date: March 2009
Group: University of New Mexico
Topic: Forensic Auditing - Evidence
Location: Albuquerque, New Mexico

Date: March 2009
Group: University of New Mexico
Topic: Auditor's Forensic Responsibilities - SAS 99
Location: Albuquerque, New Mexico

Date: November 2008
Group: Association of Certified Fraud Examiners-
Albuquerque IIA Chapter
Topic: Fraud for Internal Auditors
Location: Albuquerque, New Mexico

Date: October 2008
Group: New Mexico Criminal Defense Lawyer Association
-2nd Annual White Collar Crime CLE Conference
Topic: Creative Approaches in Litigating Fraud Cases
Location: Albuquerque, New Mexico

Date: September 2008
Group: Association of Certified Fraud Examiners
-Albuquerque IIA Chapter
Topic: A Portrait of a Thief: Occupational Fraud War Stories
Location: Albuquerque, New Mexico

Date: August 2008
Group: Association of Certified Fraud Examiners
Topic: Fraud Prevention Conference
Location: Philadelphia, Pennsylvania

Date: July 2008
Group: Association of Certified Fraud Examiners – Annual
Conference
Topic: Continuous Internal Auditing and Fraud Prevention:
SAS 112
Location: Boston, Massachusetts

Date: June 2008
Group: Association of Certified Fraud Examiners
Topic: Auditing for Internal Fraud
Location: Denver, Colorado



Date: May 2008
Group: Casualty & Property Insurance Underwriters Society
Topic: A Portrait of a Thief: Occupational Fraud War Stories
Location: Albuquerque, New Mexico

Date: April 2008
Group: New Mexico State University – Beta Alpha Psi
Topic: A Portrait of a Thief: Occupational Fraud War Stories
Location: Albuquerque, New Mexico

Date: April 2008
Group: University of New Mexico – Beta Alpha Psi
Topic: A Portrait of a Thief: Occupational Fraud War Stories
Location: Albuquerque, New Mexico

Date: March 2008
Group: Association of Government Accountants
Topic: Government War Stories: Anti-Fraud Training
Location: El Paso, Texas

Date: March 2008
Group: University of New Mexico
Topic: Fraud: SAS 99 and Sarbanes-Oxley
Location: Albuquerque, New Mexico

Date: March 2008
Group: Association of Certified Fraud Examiners
Topic: Fraud Prevention
Location: Houston, Texas

Date: March 2008
Group: University of New Mexico
Topic: Forensic Accounting
Location: Albuquerque, New Mexico

Date: February 2008
Group: Association of Government Accountants
Topic: Government War Stories: Anti-Fraud Training
Location: Las Vegas, Nevada

Date: December 2007
Group: Meyners + Company, LLC
Topic: Fraud Basics
Location: Albuquerque, New Mexico

Date: December 2007
Group: Manuel Lujan Agencies
Topic: Red Flags of Fraud
Location: Albuquerque, New Mexico



Date: November 2007
Group: Association of Certified Fraud Examiners
Topic: Auditing for Internal Fraud
Location: Des Moines, Iowa

Date: November 2007
Group: Association of Certified Fraud Examiners
Topic: Fraud Prevention
Location: Hollywood, California

Date: September 2007
Group: Non-Profit Financial Managers' Association
Topic: Non-Profit Update
Location: Albuquerque, New Mexico

Date: September 2007
Group: Institute of Managerial Accountants
Topic: New Mexico Hall of Shame
Location: Albuquerque, New Mexico

Date: July 2007
Group: Association of Certified Fraud Examiners – Annual Conference
Topic: Understanding Procurement Fraud
Location: Orlando, Florida

Date: June 2007
Group: Association of Latino Professionals in Finance & Accounting
Topic: Fraud Basics & Fraud in Litigation
Location: Albuquerque, New Mexico

Date: June 2007
Group: Meyners + Company, LLC
Topic: Independence Issues
Location: Albuquerque, New Mexico

ACTIVITIES:

Commissioner, Vice-Chairperson, Past Chairperson
 Board of Commissioners
 Albuquerque Housing Authority
 Albuquerque, New Mexico

Member, National Board of Advisors
 Past Member, Past President, Board of Directors
 Past Member, Finance Committee
 Keshet Dance Company
 Albuquerque, New Mexico



Alexis de Tocqueville Society, Member
Women in Philanthropy, Volunteer and Past Mentor
United Way of Central New Mexico
Albuquerque, New Mexico

Past Treasurer, Past President
New Mexico Chapter
Association of Certified Fraud Examiners
Albuquerque, New Mexico

Past Member
Board of Directors
WildEarth Guardians
Santa Fe, New Mexico

Past Treasurer
Committee to Keep Judge Gerard Lavelle
Albuquerque, New Mexico

Past Volunteer Mediator
Settlement Week
Court Alternatives
Second Judicial District Court
Albuquerque, New Mexico

Past Member, Board of Directors
Albuquerque Softball/Baseball Hall of Fame
Albuquerque, New Mexico





McHard Accounting Consulting LLC

933 San Mateo Blvd NE, Suite 500-151, Albuquerque, NM 87108
505/554-2968 Phone 877/279-2942 Fax

BETH A. MOHR, CFE, CAMS, CCCI, MPA, PI

EDUCATION:

Master of Public Administration – December 2007
School of Public Administration
University of New Mexico

Bachelor of Science – February 1995
Administration of Justice
Pacific Western University

PROFESSIONAL DESIGNATIONS:

Certified Cyber Crimes Investigator (CCCI) – September 2015
International Association of Financial Crimes Investigators (IAFCI)

Certified Anti-Money Laundering Specialist (CAMS) – June 2013
Association of Certified Anti-Money Laundering Specialists (ACAMS)

Certified Fraud Examiner (CFE) – April 2011
Association of Certified Fraud Examiners

Licensed Private Investigator
State of New Mexico, License #2503
Expires 12/31/2019

Licensed Private Investigator
State of Arizona, License #1639941
Expires 6/20/2019

Licensed Private Investigator
State of California, License #28441
Expires 9/30/2019

New Mexico Department of Public Safety
Certified Law Enforcement Instructor #NM14-63M

Certified Police Officer - December 1990
Intermediate P.O.S.T. Certification
Police Officer Standards & Training
State of California

ATTACHMENT B

Certified Police Officer - February 1985
Basic P.O.S.T. Certification
Police Officer Standards & Training
State of California

PROFESSIONAL EMPLOYMENT:

McHard Accounting Consulting, LLC – July 2010 to present
Managing Partner as of January 2011
Albuquerque, New Mexico

Mohr Investigations LLC – December 2010 to December 2014
NM Firm PI License #2505
Albuquerque, New Mexico

City of Albuquerque – July 2006 to December 2011
Performance Improvement Manager
Albuquerque, New Mexico

City of Albuquerque – September 2001 to July 2006
Independent Review Investigator
Independent Review Office of the Police Oversight Commission
Albuquerque, New Mexico

Protection & Advocacy Systems – February 1997 to July 2002
Fair Housing & Investigative Trainer
Albuquerque, New Mexico

ArcA Inc. - March 1997 to September 2001
Housing & Transportation Manager
Albuquerque, New Mexico

Legal Aid Society of Albuquerque – March 1997 to March 1998
Investigator & Testing Coordinator – Fair Housing Project
Albuquerque, New Mexico

Whatcom County Public Defender - January 1993 to February 1997
Criminal Investigator
Bellingham, Washington

San Diego Police Department – October 1984 to February 1992
Senior Police Officer & Investigator
San Diego, California

PROFESSIONAL ASSOCIATIONS:

Association of Certified Fraud Examiners (ACFE)

Association of Certified Anti-Money Laundering Specialists (ACAMS)



International Association of Financial Crimes Investigators (IAFCI)

California Association of Licensed Investigators (CALI)

Association of Former Intelligence Officers (AFIO)

New Mexico Chapter, Association of Certified Fraud Examiners

Arizona/New Mexico Chapter, International Association of Financial Crimes Investigators (IAFCI)

National Association for Civilian Oversight of Law Enforcement (NACOLE)

International City/County Management Association, Past Member

American Society of Public Administration, Past Member

St. Joseph's Hospital/Ardent Central Institutional Review Board
Past Member, IRB/Ethics Board

PROFESSIONAL COMMITTEES:

Diverse Leaders 2017 Selection Committee
Albuquerque Business First, Business Journal

Police Oversight Board, Past Chair
City of Albuquerque, New Mexico
Appointed February 2015
Chair February 2016-January 2017

Association of Certified Fraud Examiners, New Mexico Chapter
Past President
Past Director of Education

Association of Certified Fraud Examiners
ACFE Advisory Council, Member

California Bureau of Security and Investigative Services (BSIS)
Designated Subject Matter Expert, Investigations

National Association for Schools of Public Affairs & Administration
Commission on Peer Review and Accreditation (NASPAA-COPRA)
Site visit team – 2015: John Jay College of Criminal Justice, CUNY

Advisory Board on Graduate Education
International City/County Management Association
Past Board Member



University-Profession Connections Committee
International City/County Management Association
Past Committee Member

PUBLICATIONS:

Mohr, Beth Anne. *In Press*. Combating implicit bias in Fraud Examinations, *Fraud Magazine*

Mohr, Beth Anne. *June 2017*. Expert Briefing: Bitcoin Basics. *Financier Worldwide Magazine*

Mohr, Beth Anne. *Summer 2015*. What Defense Attorneys need to know about Bitcoin, *For the Defense*, publication of the New Mexico Criminal Defense Lawyers Association Vol XIX, Issue 2

Mohr, Beth Anne. *July 2015*. What Private Investigators need to know about Bitcoin- Part 2, *The California Investigator Magazine*

Mohr, Beth Anne. *April 2015*. What Private Investigators need to know about Bitcoin- Part 1, *The California Investigator Magazine*

Mohr, Beth Anne. *March/April 2014*. Don't let your tongue trip you up: As an expert witness, avoid implicating in hypothetical situations, *Fraud Magazine*

Mohr, Beth Anne. *July/August 2013*. CFEs Investigate This: Are you required to be licensed as a Private Investigator? *Fraud Magazine*

McHard, Janet M. & Mohr, Beth Anne. *September/October 2012*. Career Connection: Hanging out your Shingle, Part 2. *Fraud Magazine*

McHard, Janet M. & Mohr, Beth Anne. *July/August 2012*. Career Connection: Hanging out your Shingle, Part 1. *Fraud Magazine*

Mohr, Beth. *Winter 2011*. Leveraging the Expert: How Soon is too Soon? *For the Defense*, publication of the New Mexico Criminal Defense Lawyers Association. Vol XV, Issue 4.

McHard, Janet M. & Mohr, Beth Anne. *July/August 2011*. Hotlines for Heroes: Making a Fraud Hotline Accessible and Successful. *Fraud Magazine*

Mohr, Beth Anne. 2009. Feeling Blue in the South Valley: A case study of nitrate contamination in Albuquerque's South Valley. *Bulletin of Science, Technology & Society* 29 (5): 408-420. (Peer Reviewed Journal)



Mohr, Beth Anne. 2007. The Use of Performance Measurement in Civilian Oversight of Law Enforcement, School of Public Administration, University of New Mexico, Albuquerque.

PROFESSIONAL SPEAKING:

Date: October 2017
Group: Association of Certified Fraud Examiners – Hawaii Chapter
Topic: Ethical Considerations for Fraud Investigations, Fraud Case Studies
Location: Honolulu, Hawaii

Date: September 2017
Group: Association of Certified Fraud Examiners – Great Kansas City Chapter
Topic: Ethical Considerations, Case Studies and Expert Witness Seminar
Location: Kansas City, Kansas

Date: September 2017
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Interviewing for the facts: Getting from “Yes” to “No” to Resolution and Beyond
Location: Albuquerque, New Mexico

Date: August 2017
Group: Oklahoma State Auditors
Topic: Anatomy of Fraud: Insights from Real Cases
Location: Oklahoma City, Oklahoma

Date: July 2017
Group: Century Bank Business Connector Group
Topic: Red Flags of Fraud & Employee Investigations
Location: Albuquerque, New Mexico

Date: March 2017
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Ethics – The Game Show
Location: Albuquerque, New Mexico

Date: February 2017
Group: Virginia Banker Association
Topic: The Personality of the Fraudster
Location: Charlottesville, VA

Date: January 2017
Group: Institute of Managerial Accountants



Topic: Bitcoin Basics: What you need to know
Location: Albuquerque, New Mexico

Date: October 2016
Group: Embry-Riddle Aeronautical University
Topic: Fraud Examinations: Methodology, Interviews & Case Studies
Location: Prescott, Arizona

Date: August 2016
Group: Financial Investigations
Topic: Bitcoin Basics: What investigators need to know
Course Certified for Law Enforcement credit by the NM Department of Public Safety
Location: Albuquerque, New Mexico

Date: May 2016
Group: Nusenda Credit Union
Topic: Bitcoin Basics: What CFEs need to know
Location: Albuquerque, New Mexico

Date: May 2016
Group: ACFE-El Paso (Texas) Chapter
Topic: Fraud in Governmental Entities: Case Studies and Other Fun Stories, Bitcoin Basics
Location: El Paso, Texas

Date: February 2016
Group: ACFE-New Mexico Chapter
Topic: Bitcoin Basics: What CFEs need to know
Location: Albuquerque, New Mexico

Date: August 2015
Group: New Mexico State Bar, 2015 Tax Seminar CLE
Topic: Money Laundering
Location: Albuquerque, New Mexico

Date: July 2015
Group: AGA Albuquerque Chapter
Topic: Interviewing Techniques
Location: Albuquerque, New Mexico

Date: February 2015
Group: Wells Fargo Specialty Markets Group
Topic: Anatomy of Theft & Personality of a Thief
Location: Albuquerque, New Mexico

Date: January 2015
Group: New Mexico Criminal Defense Lawyers Association
Topic: Practice Management
Location: Albuquerque, New Mexico



Date: October 2014
Group: San Juan Basin Chapter, New Mexico Society of Certified Public Accountants
Topic: Red Flags of Fraud
Location: Farmington, New Mexico

Date: August 2014
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Ethics: New ACFE Professional Guidance – “The Ethics Game Show”
Location: Albuquerque, New Mexico

Date: June 2014
Group: New Mexico Gaming Control Board
Topic: Understanding Financial Statements and Financial Statement Fraud, Interactive Case Studies, Conducting Investigative Interviews and Admission Seeking Interviews. *Course Certified for Law Enforcement credit by the NM Department of Public Safety*
Location: Albuquerque, New Mexico

Date: May 2014
Group: New Mexico Gaming Control Board
Topic: Fraud Basics, Basic Financial Investigations with Case Studies, Using Tax Returns in Financial Investigations, Casino Compliance, the Bank Secrecy Act and Anti-Money Laundering. *Course Certified for Law Enforcement credit by the NM Department of Public Safety*
Location: Albuquerque, New Mexico

Date: May 2014
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: ACFE Professional Standards – “Don’t Let Your Tongue Trip You Up”
Location: Albuquerque, New Mexico

Date: April 2014
Group: Virginia Bankers Association
Topic: Interviewing & Interrogation Basics
Location: Charlottesville, Virginia

Date: April 2014
Group: New Mexico Regulation – Securities Division
Topic: Interviewing & Interrogation
Location: Santa Fe, New Mexico



Date: December 2013
Group: New Mexico Government Finance Officers Association
Topic: Fraud Prevention through Process Improvement
Location: Albuquerque, New Mexico

Date: October 2013
Group: McHard Accounting Consulting & Don Rabon
Topic: Contemporary Interviewing Dynamics
Location: Albuquerque, New Mexico

Date: September 2013
Group: Institute of Internal Auditors – El Paso Chapter
Topic: Fraud Seminar: Case Studies
Location: Albuquerque, New Mexico

Date: September 2013
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: NM Private Investigations License – Who needs one?
Location: Albuquerque, New Mexico

Date: May 2013
Group: International Association of Special Investigation Units
Topic: Forensic Accounting: An Aid to Claims Investigations
Location: Albuquerque, New Mexico

Date: April 2013
Group: Admiral Beverage Corporation
Topic: Red Flags of Fraud
Location: Albuquerque, New Mexico

Date: October 2012
Group: Institute of Internal Auditors – El Paso Chapter
Topic: Interview Techniques for the Auditor
Location: El Paso, Texas

Date: July 2012
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Essential Interview Secrets for the CFE
Location: Albuquerque, New Mexico

Date: May 2012
Group: City of Albuquerque, Family & Community Services
Topic: 2012 Management Retreat: Leveraging FCS Services
Location: Albuquerque, New Mexico



Date: February 2011
Group: Association of Certified Fraud Examiners
Topic: Hotlines for Heroes: Creating an Approachable Fraud Reporting Hotline
Location: Webinar; Albuquerque, New Mexico

Date: February 2008
Group: Meeting of the International Association for Science, Technology & Society
Topic: Feeling Blue in the South Valley: A case study of nitrate contamination in Albuquerque's South Valley
Location: Baltimore, Maryland

Date: October 2008
Group: National Organization for Civilian Oversight of Law Enforcement
Topic: History of Civilian Oversight: 2002 BCE – 1970 CE
Location: Cincinnati, Ohio

AWARDS:

Albuquerque Business First Diverse Business Leader 2016
Albuquerque Business First, Business Journal

Phi Kappa Phi, December 2007
National Graduate Honor Society of Public Administration

Pi Alpha Alpha, May 2007
National Honor Society for Public Administration

Commanding Officer's Citation, July 1990
San Diego Police Department
Development of training program for SDPD

Commanding Officer's Citation, April 1987
San Diego Police Department
Investigation/arrests of serial burglary ring

Commanding Officer's Citation, June 1986
San Diego Police Department
Investigation/arrests of white collar crime syndicate

ACTIVITIES:

Alexis de Tocqueville Society, Member
United Way of Central New Mexico
Albuquerque, New Mexico

Operation from the Heart
Volunteer Agent
Albuquerque, New Mexico





McHard Accounting Consulting LLC

933 San Mateo Blvd NE, Suite 500-151, Albuquerque, NM 87108
505/554-2968 Phone 877/279-2942 Fax

ANNE M. LAYNE, CPA/CFF, CFE, CAMS, MBA

EDUCATION:

Associates of Science - May 2004
Embry Riddle Aeronautical University

Bachelor of Science - September 2007
University of Phoenix

Master of Business Administration - December 2009
W.P. Carey School of Business
Arizona State University

Master of Criminal Justice - December 2014
New Mexico State University

PROFESSIONAL DESIGNATIONS:

Certified Public Accountant – October 2009
State of New Mexico

Certified Fraud Examiner – November 2010
Association of Certified Fraud Examiners

Certified in Financial Forensics – January 2015
American Institute of Certified Public Accountants

Certified Anti-Money Laundering Specialist – March 2016
Association of Certified Anti-Money Laundering Specialists

PROFESSIONAL EMPLOYMENT:

McHard Accounting Consulting, LLC – February 2017 to Present
Partner
Albuquerque, New Mexico

McHard Accounting Consulting, LLC – August 2015 to February 2017
Senior Manager
Albuquerque, New Mexico

ATTACHMENT C

REDW LLC – April 2013 to August 2015
Audit and Consulting Manager
Albuquerque, New Mexico

State of New Mexico – September 2011 to March 2013
Regulation and Licensing Department – Securities Division
Forensic Analyst
Santa Fe, New Mexico

REDW LLC - January 2010 to September 2011
Audit and Consulting Senior Accountant
Albuquerque, New Mexico

LarsonAllen - September 2007 to July 2009
Staff Associate
Phoenix, Arizona

Sandia Resort and Casino- January 2005 to August 2007
General Ledger Accountant
Albuquerque, New Mexico

Sandia Resort and Casino - January 2004 to January 2005
Accounting Clerk
Albuquerque, New Mexico

PROFESSIONAL ASSOCIATIONS:

American Institute of Certified Public Accountants

New Mexico Society of Certified Public Accountants

Association of Certified Fraud Examiners
Director of Education, NM Chapter Assoc. of Certified Fraud Examiners
Past Treasurer, NM Chapter Assoc. of Certified Fraud Examiners

Association of Certified Anti-Money Laundering Specialists

HONORS:

2014 New Mexico Society of Certified Public Accountants Leadership Academy

2016 New Mexico Society of Certified Public Accountants Women to Watch, Emerging Leader Award

2017 Albuquerque Business First 40 Under Forty honoree

2017 American Institute of Certified Public Accountants Leadership Academy



PUBLICATIONS:

Layne, Anne M. *May 2017*. Preventing expense reimbursement fraud: building a solid foundation, *Financier Worldwide*

Layne, Anne M. *February 2017*. Stealing the corporate ladder: Preventing, detecting and investigation occupational fraud at all levels, *Financier Worldwide* Special Report: Corporate Fraud & Corruption

PROFESSIONAL SPEAKING:

Date: October 2017
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Ethics in Your Office Space
Location: Albuquerque, New Mexico

Date: October 2017
Group: Young Professionals of Albuquerque
Topic: Top 10 Tips for Financial Safety
Location: Albuquerque, New Mexico

Date: March 2017
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Ethics: The Game Show
Location: Albuquerque, New Mexico

Date: March 2017
Group: The Conference That Counts!
Topic: Financial Investigations: Tips and Tricks; Ethical Dilemmas & Protecting Government and Business from Investment Fraud
Location: Albany, New York

Date: October 2016
Group: Investor Protection Trust and Investor Protection Institute
Elder Investment Fraud and Financial Exploitation (EIFFE) Prevention Program Summit
Topic: EIFFE Prevention Program for Financial Professionals
Location: Santa Fe, New Mexico



Date: August 2016
Group: Association of Certified Fraud Examiners – New Mexico Chapter and New Mexico Office of the Attorney General
Topic: Financial Investigations
Location: Albuquerque, New Mexico

Date: June 2016
Group: Association of Certified Fraud Examiners
27th Annual Global Fraud Conference
Topic: Securities Fraud: An Overview and Case Studies
Location: Las Vegas, Nevada

Date: April 2016
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Ethical Decision Making
Location: Albuquerque, New Mexico

Date: March 2015
Group: Association of Governmental Accountants – Albuquerque Chapter
Topic: Accountant's Role in White Collar Criminal Investigations
Location: Albuquerque, New Mexico

Date: March 2015
Group: National Indian Gaming Association
Topic: Occupational Fraud
Location: San Diego, California

Date: November 2014
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Social Engineering
Location: Albuquerque, New Mexico

Date: November 2014
Group: REDW – Tribal Finance and Leadership Conference
Topic: Occupational Fraud
Location: Phoenix, Arizona

Date: April 2014
Group: Beta Alpha Psi – University of New Mexico Chapter
Topic: Securities Fraud in New Mexico
Location: Albuquerque, New Mexico



Date: November 2013
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Auditing and Fraud: Myths and Misconceptions
Location: Albuquerque, New Mexico

Date: October 2013
Group: National Indian Gaming Association
Topic: Interviewing and Investigations
Location: Albuquerque, New Mexico

Date: September 2013
Group: Intel Corporation – Finance Division
Topic: Bribery and Corruption
Location: Chandler, Arizona

Date: July 2013
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Securities Fraud in New Mexico
Location: Albuquerque, New Mexico

Date: May 2013
Group: Association of Certified Fraud Examiners – New Mexico Chapter
Topic: Internal Audit
Location: Albuquerque, New Mexico

Date: April 2013
Group: Association of Governmental Accountants – Albuquerque Chapter
Topic: Internal Audit
Location: Albuquerque, New Mexico

ACTIVITIES:

Director of Education, Past Treasurer
New Mexico Chapter
Association of Certified Fraud Examiners
Albuquerque, New Mexico

Events Committee, Chair
Young Leaders Society
United Way of Central New Mexico
Albuquerque, New Mexico

Professional Development Committee, Chair
Young Professionals Association of Albuquerque
Albuquerque, New Mexico



Board of Directors, Vice-President
Children's Grief Center
Albuquerque, New Mexico

