



# HIGHER LEARNING COMMISSION

230 South LaSalle Street, Suite 7-500  
Chicago, IL 60604-1411  
312.263.0456 800.621.7440  
Fax: 312.263.7462 hlcommission.org

November 13, 2018

VIA ELECTRONIC MAIL

Dr. Garnett Stokes, President  
University of New Mexico  
1 University of New Mexico  
MSC05 3300  
Albuquerque, NM 87131

Dear President Stokes:

The Higher Learning Commission (HLC or “the Commission”) was recently made aware of the Transparency Report issued by the New Mexico Office of the Attorney General (“the Attorney General”) with regard to the University of New Mexico (“the University”). The report was published by the Attorney General on September 6, 2018. The issuance of this report follows a special audit conducted by the New Mexico Office of the State Auditor in 2017, the findings of which were subsequently reviewed by HLC.

The findings presented in the Transparency Report raise potential additional concerns regarding the University’s compliance with the Criteria for Accreditation. As stated in the report, “the continued lack of transparency appears to affect all aspects of UNM operations and it is reasonable to conclude that financial controls are directly impacted by these deficiencies. Moreover, this conduct has negatively continued to integrity of finances within the athletic program.” Of specific concern to HLC in light of the Transparency Report are the following Core Components and Assumed Practices:

- Criterion Two, Core Component 2.A: The institution operates with integrity in its financial, academic, personnel, and auxiliary functions; it establishes and follows policies and processes for fair and ethical behavior on the part of its governing board, administration, faculty, and staff;
- Criterion Five, Core Component 5.A: The institution’s resource base supports its current educational programs and its plans for maintaining and strengthening their quality in the future; and
- Assumed Practice A.3: The institution provides its students, administrators, faculty, and staff with policies and procedures informing them of their rights and responsibilities within the institution.

As you are aware, however, the University was scheduled for Interim Monitoring following review of the report of the New Mexico Office of the State Auditor. The Commission received the

University's Interim Report on July 31, 2018, and it is currently under review. Because the areas of concern noted above are the subject of the Interim Report, the Commission will not require additional Interim Monitoring at this time. Instead, the peer review team that conducts the University's upcoming comprehensive evaluation, currently scheduled for spring 2019, will be instructed to thoroughly review the University's compliance with the aforementioned Core Components and Assumed Practice in light of the findings. The University should anticipate addressing the findings of the Transparency Report, as they relate to the Criteria for Accreditation and Assumed Practices, in its Assurance Filing, as applicable. The peer review team will be provided a copy of this letter and of all previous correspondence regarding the Special Audit. The University should provide additional supporting materials related to the Transparency Report and the Special Audit it deems appropriate in its Assurance Filing.

Separately, the Commission has become aware that the University cannot be excluded from an ongoing, potentially criminal, investigation by the Attorney General's office unrelated to the findings in the Transparency Report and which surfaced as a result of the recent execution of a search warrant related to former University employees. On this basis, the Commission will seek to impose the Governmental Investigation designation in this case.

Under Commission policy, HLC shall seek to impose a public designation on an institution that is the subject of a governmental investigation. The purpose of such a designation is to inform the public that the institution is being investigated by a governmental entity and that the Commission is aware of the situation and is monitoring its developments. If imposed in this case, HLC's website entry for the University will indicate that it is currently under governmental investigation without further details.

The Commission intends for the designation to remain in place until the Attorney General concludes its investigation. Once the investigation is concluded, the Commission will review the circumstances of the matter at the time of its conclusion and will determine what further action the Commission needs to take, if any. Depending on these circumstances, the Commission may remove the designation or take other action as appropriate. For example, the President of the Commission may make a recommendation directly to the Board of Trustees that it place the institution on sanction based on any findings made by the Attorney General, if such findings emerge. The imposition of the designation is not based on independent evaluation by HLC; the Commission makes no conclusion about the merits of the investigation or its potential outcome.

Under Commission policy, HLC expects that the University will submit a response related to HLC's expression of intent to impose the designation. The University of New Mexico must submit its response no later than **November 30, 2018**. Please note that this deadline for response has accommodated the University's closure for the Thanksgiving holiday. The Commission will review the University's response before determining whether to impose the designation and you will be notified following review of the response. A copy of the Institutional Designations procedure has been enclosed for your reference.

President Stokes, November 13, 2018 2

Thank you for your cooperation. If you have questions, please contact Dr. Anthea Sweeney, Vice President for Legal and Governmental Affairs, or your HLC Staff Liaison, Dr. Mary Vanis.

Sincerely,

A handwritten signature in cursive script that reads "Barbara Gellman-Danley".

Barbara Gellman-Danley  
President

Enc: Institutional Designations Procedure

Cc: Joseph Suilmann, Accreditation Program Manager, University of New Mexico  
Mary Vanis, Vice President for Accreditation Relations, Higher Learning Commission  
Anthea Sweeney, Vice President for Legal and Governmental Affairs, Higher Learning  
Commission