

BRIAN S. COLÓN, ESQ., CFE
NEW MEXICO STATE AUDITOR

COVID-19 & GOVERNMENT ACCOUNTABILITY

**ACCOUNTABILITY, TRANSPARENCY, AND
EXCELLENCE**



COVID-19 FUNDING ACCOUNTABILITY WORKGROUP



The New Mexico Office of the State Auditor has organized an Accountability Working Group with leadership from partner agencies to discuss oversight, and an approach for auditing the stimulus.

Unemployment Insurance Fraud

COVID-19 has resulted in state labor and workforce agencies reporting upticks in fraudulent claims.

Fraudsters are filing for unemployment insurance with stolen identities.

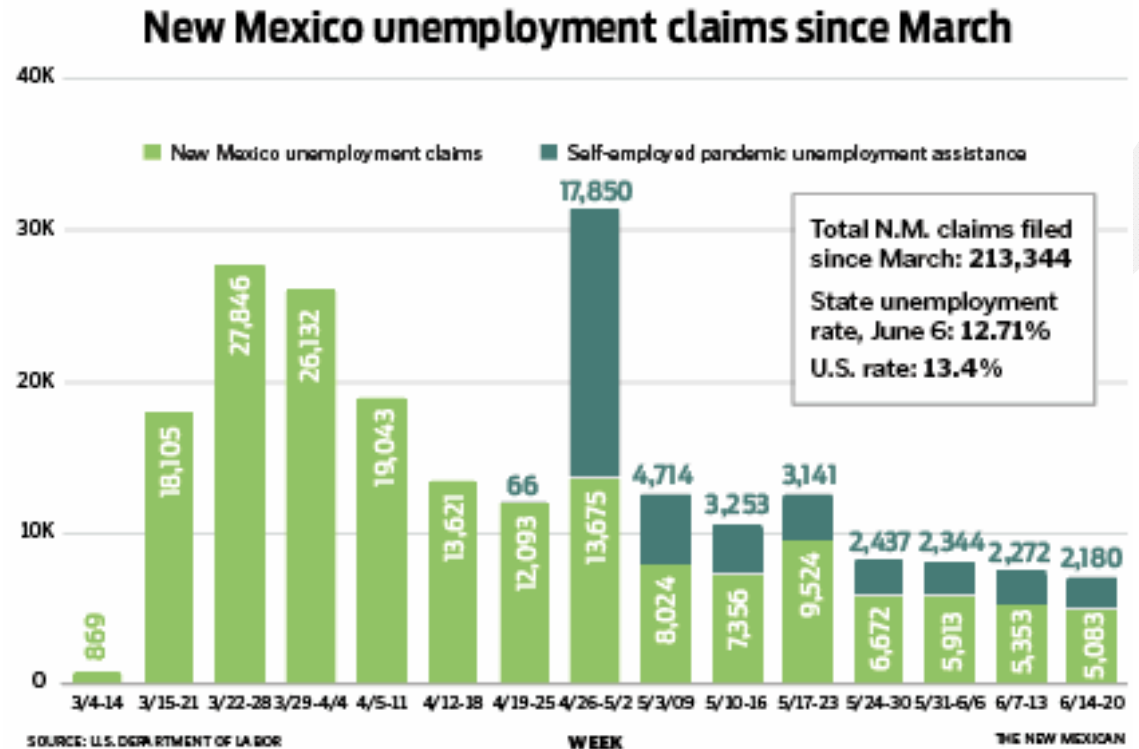
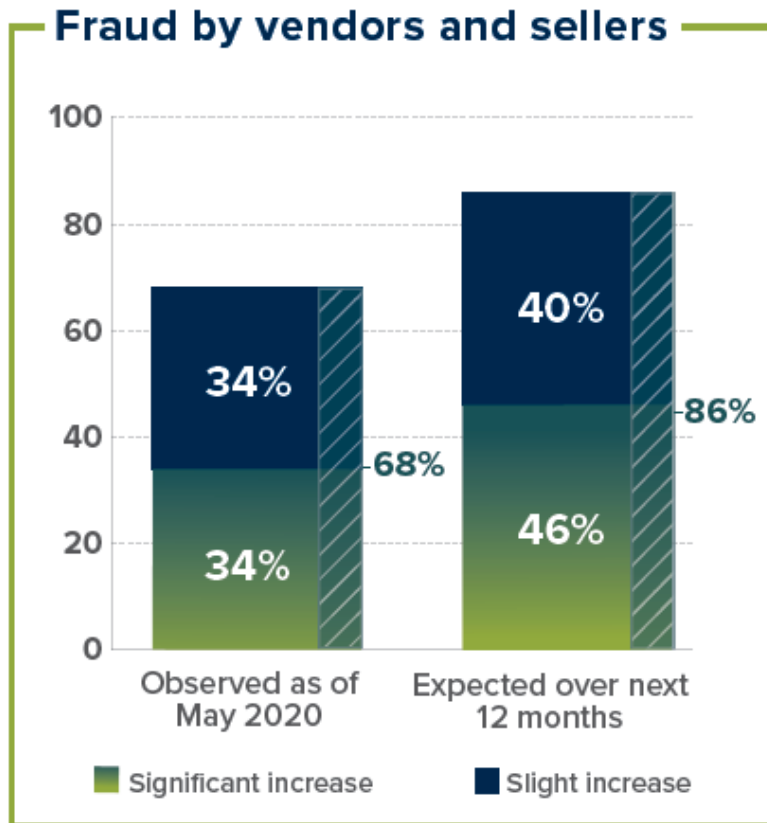


Image Source: The New Mexican | Data Source: US Department of Labor

Emergency Procurement Risks



The necessity for quick action makes the procurement process vulnerable to fraud schemes.

- Phantom vendors
- Counterfeit, inadequate, substitute goods
- Falsified invoices
- Bribes or kickbacks

Image Source: ACFE FRAUD IN THE WAKE OF COVID-19: Benchmarking Report



UNEMPLOYMENT INSURANCE FRAUD & EMERGENCY PROCUREMENT RISKS



UNEMPLOYMENT INSURANCE FRAUD



FRAUD ALERT

THE OFFICE OF THE STATE AUDITOR CALLS FOR INCREASED AWARENESS IN EFFORTS FOR COVID-19 RELATED FRAUD PREVENTION



OFFICE OF THE STATE AUDITOR | BRIAN S. COLÓN, ESQ., STATE AUDITOR

APRIL 10, 2020

The Office of the State Auditor Issues Warning for Vulnerable New Mexicans Seeking Unemployment Insurance During COVID-19 State of Emergency

In light of the ongoing COVID-19 public health emergency, State Auditor Colón is calling for vigilance as fraudsters take advantage vulnerable communities finding new ways to scam New Mexicans during this global pandemic.

The Office of the State Auditor (OSA) is warning New Mexicans to be cautious and aware of scams during the novel coronavirus pandemic. Particularly, fraudsters targeting vulnerable New Mexicans, in non-English speaking communities, with scams that take their money and steal their personal information.

The New Mexico Department of Workforce Solutions ("Department") is actively working on methods to increase accessibility of information to non-English speaking communities throughout New Mexico and has provided a list of community partners throughout the state who are assisting the Department in providing necessary translation services. The OSA recommends targeted communities seek and receive assistance from the trusted resources detailed below.



RISK ADVISORY

Office of the State Auditor | Brian S. Colón, Esq., CFE, State Auditor

June 2020

MITIGATING RISK IN COVID-19 RELATED PROCUREMENTS

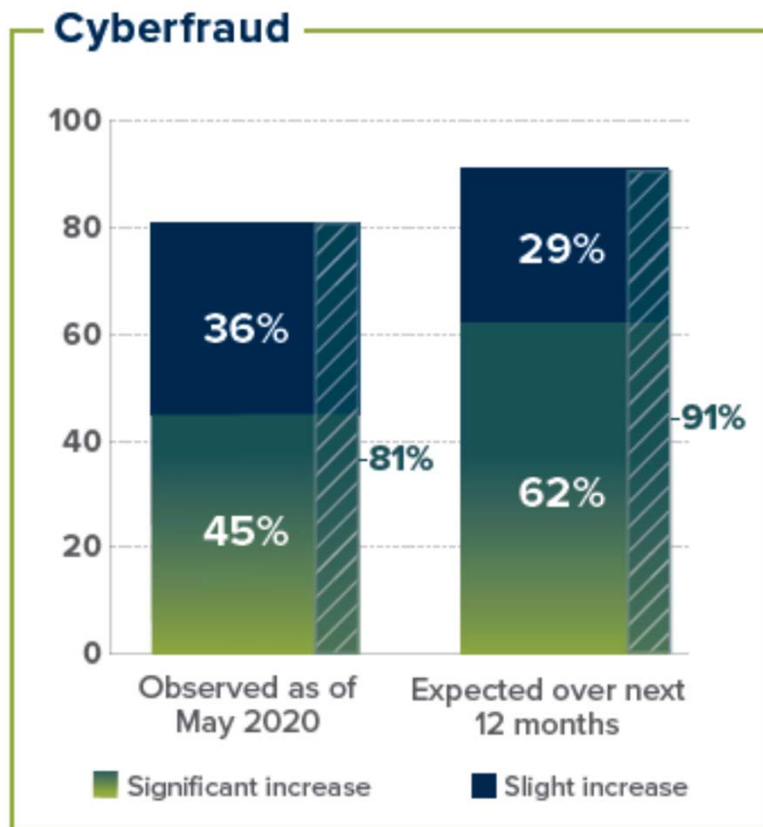


The Office of the State Auditor (OSA) together with the Legislative Finance Committee (LFC) issue this joint Risk Advisory to alert governmental agencies in the State of New Mexico of risks related to Emergency Procurements. The objective of this advisory is to provide governmental agencies and entities with guidance and best practices in an effort to combat the risks associated with emergency procurements.



EMERGENCY PROCUREMENT RISKS

Cyber Security Fraud



The threat that has risen the most during the COVID-19 pandemic is cyberfraud, which includes schemes such as business email compromise, hacking, ransomware, and malware. The majority of survey respondents (81%) have already seen an increase in these schemes, and 93% expect them to increase over the next 12 months.



Cyber Security Fraud



March 5, 2019

Risk Advisory: Don't Get Spoofed Payroll Phishing Fraud Alert

The Office of the State Auditor (OSA) issues this Risk Advisory to alert governmental agencies and entities, the general public, and business owners in the State of New Mexico of risks associated with an email phishing scheme seeking users to change their direct deposit information for payroll utilizing spoofed email accounts. The OSA strongly advises individuals to be aware of the potential risk associated with changing direct deposit information and to review their internal controls and updates to waste, and

New Mexico Office of the State Auditor
GAO Government Accountability Office
Phishing



November 2019

RISK ADVISORY

HACKED! RANSOMWARE DEFENSE

TIPS TO LESSEN EXPOSURE

- ⇒ Change passwords frequently and use different passwords for all websites.
- ⇒ Take proactive measures to ensure all software is up to date.
- ⇒ Utilize pop-up block-

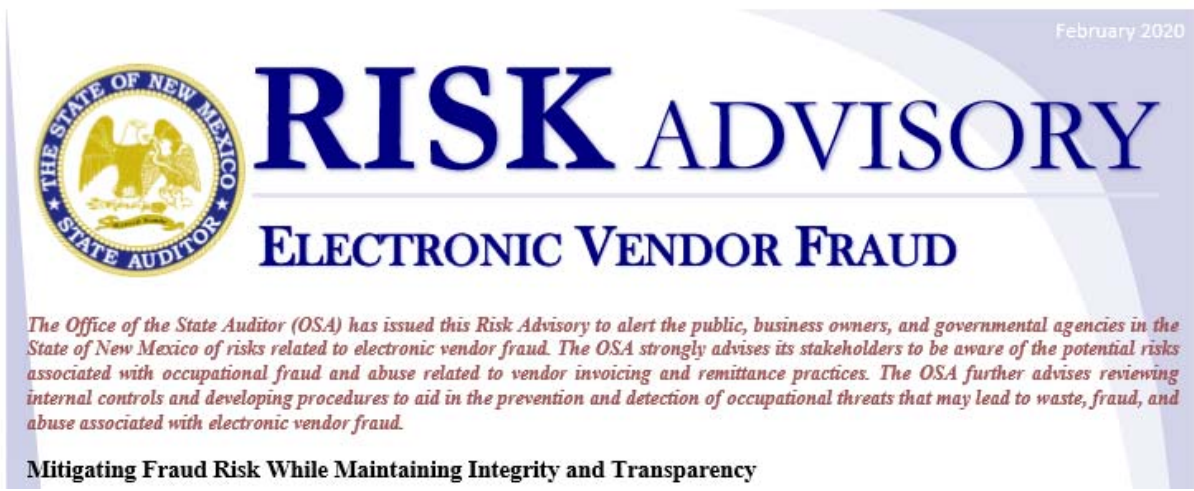
close un-

The Office of the State Auditor (OSA) has issued this Risk Advisory to alert the public, business owners, and governmental agencies in the State of New Mexico of risks related to the dangers of ransomware. The OSA strongly advises its stakeholders to be aware of the potential risks associated with cybersecurity threats, such as malware, in which the victim's data is encrypted and demanded for the release or further advises reviewing internal res to aid in the prevention and ware. that may lead to waste, fraud, ware.

February 2020

ware?

urity threat caused most often by ised websites, and other malware.



February 2020

RISK ADVISORY

ELECTRONIC VENDOR FRAUD

The Office of the State Auditor (OSA) has issued this Risk Advisory to alert the public, business owners, and governmental agencies in the State of New Mexico of risks related to electronic vendor fraud. The OSA strongly advises its stakeholders to be aware of the potential risks associated with occupational fraud and abuse related to vendor invoicing and remittance practices. The OSA further advises reviewing internal controls and developing procedures to aid in the prevention and detection of occupational threats that may lead to waste, fraud, and abuse associated with electronic vendor fraud.

Mitigating Fraud Risk While Maintaining Integrity and Transparency





Office of the State Auditor
BRIAN S. COLÓN, ESQ.

Accountability, Transparency & Excellence

The first priority of the OSA is to protect New Mexico's taxpayers by ensuring that government effectively and efficiently serves the needs of all New Mexicans. As the state's independent and nonpartisan oversight agency, our office is responsible for holding local and state government and elected officials accountable in the use of public funds.

Hear it from Brian

Accountability Office

[Home](#) > [Accountability Office](#)



GAO

Government Accountability Office
 New Mexico Office of the State Auditor

The Government Accountability Office (GAO) is a division of the Office of the State Auditor, focused on bringing transparency and accountability to the agencies that receive and spend public money. The GAO aims to make the important information buried in the 900+ audits and financial reports that New Mexico state and local agencies produce each year accessible and understandable to the public.

GAO Reports

GAO Reports are statewide studies that aggregate and analyze trends revealed by audit information. The purpose of Reports is to take an in-depth look at how are public dollars are managed and spent across New Mexico. With each Report, the GAO makes available the supporting data so that experts, academics and the general public can use it for other purposes. You will need a PDF reader and Excel to open the documents.

[GAO Reports](#)

Risk Advisories

GAO Risk Advisories give notice of concerns that the OSA has discovered regarding transparency, accountability or compliance. The purpose of Risk Advisories is to bring attention to a particular area of financial reporting or compliance, to notify independent public accountants of possible areas of risk in their audits and to tell the public about trends in audit findings.

[Risk Advisories](#)

Risk Reviews

Risk reviews communicate issues of concern to those charged with governance of state and local governmental agencies and other decision-makers.

[Risk Reviews](#)

Transparency Reports

GAO Transparency Reports discuss specific issues of interest that relate to how our public dollars are managed and spent. The purpose of Transparency Reports is to shed light on critical issues and trends in the areas of accurate and timely financial information from government, efficient use of resources, and equity. When a Transparency Report relies on compiled data, the GAO makes available the supporting data so that experts, academics and the general public can use it for other purposes. You will need a PDF reader and Excel to open the documents.

[Transparency Reports](#)

Bulletins

GAO Bulletins are more technical in nature, and discuss new accounting or auditing standards or regulations. The purpose of Bulletins is to educate and inform government finance professionals and independent public accountants about issues of interest.

[Bulletins](#)

[Regulations](#)
[Communications](#)
[FA](#)
[Contact](#)
[Report Fraud](#)

System Reporting

Accountability Office

Not sure where to start?

I am a...

I'm Looking For...

Searching for an Audit Report?

Go To Audit Report Search

Waste, Fraud & Abuse
Reports may be made anonymously online or by speaking directly with an investigator.

How to report Waste, Fraud & Abuse



Reporting Waste, Fraud, & Abuse

- New Mexicans concerned about governmental waste, fraud or abuse should contact the Office of the State Auditor at: 1-800-OSA-Fraud or you may report online at: www.osafraud.org
- If New Mexicans are concerned about COVID-19 related consumer fraud or other consumer scamming activity they are urged to immediately file a complaint with the Office of the Attorney General at www.nmag.gov
- New Mexicans concerned with Unemployment Insurance Fraud are urged to contact the NM Department of Workforce Solutions UI Fraud Complaints Unit at: Email: infodws@state.nm.us

Claimant Fraud:	Employer Fraud:
Phone: 505-243-7283	Phone: 1-866-435-1499
- New Mexicans and patients of the hospital who wish to report any allegation of abuse, neglect, or exploitation should immediately contact the New Mexico Department of Health hotline at 1-800-752-8649 to submit a complaint.



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THANK YOU!

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