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 payment is demanded for the release or decryption of data. The OSA further advises reviewing internal controls and developing procedures to aid in the prevention and detection of cybersecurity threats that may lead to waste, fraud, and abuse associated with ransomware.

What is ransomware?

Ransomware is a serious cybersecurity threat caused most often by malicious links, spam email, compromised websites, and other malware.

Red flags include: receiving emails with irrelevant headers and/or subject lines or no subject at all; being CC’d/BCC’d on an email from a sender or other receivers that are unknown; attachments that don’t make sense or are executable files; or hyperlinks embedded that link to a different site.

Be Aware! Report Suspected Ransomware and other cybersecurity threats.

The OSA has received reports of potential criminal violations and suspected fraud associated with ransomware from school districts with encumbrances that totaled over $1.3 million in recovery and repairs. Reports of instances related to this and other cybersecurity threats should be made to the OSA as soon as possible. In accordance with 2.2.2.10(N)(2) NMAC, and NMSA 1978, Section 12-6-6, an agency or Independent Public Accountant shall notify the State Auditor immediately and in writing upon discovery of any violation of criminal statute in connection with financial affairs. Include the following information in the written report:

- Estimated dollar amount involved; and
- Complete description of the violation, including names of persons involved and any action taken or planned.

For further information or questions, on this or any Risk Advisory issued by the GAO, please contact the Government Accountability Office Director, Stephanie W. Telles, at Stephanie.Telles@osa.state.nm.us