

Approved

COMPLIANCE AND AUDIT COMMITTEE

May 16, 2024

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

APPROVAL OF THE EXTERNAL AUDIT PLAN FOR THE YEAR ENDING JUNE 30, 2024

The Committee recommends that the PricewaterhouseCoopers (PwC) external audit plan for the University for the year ending June 30, 2024, as shown in Attachment 1, be approved.

Committee vote: Regents Anguiano, Batchlor, Cohen, Elliott, Ellis, Leib, Makarechian, Matosantos, Park, Pérez, Sherman, and Sures voting “aye.”

Board vote: Regents Anguiano, Batchlor, Chu, Cohen, Drake, Elliott, Ellis, Hernandez, Kounalakis, Leib, Makarechian, Matosantos, Pérez, Raznick, Reilly, Robinson, Sarris, and Tesfai voting “aye.”



Audit objectives

Our primary objectives are to:

- Perform audits in accordance with auditing standards generally accepted in the United States of America and, as applicable, *Government Auditing Standards* (GAGAS), to obtain reasonable assurance the financial statements are prepared in accordance with accounting principles generally accepted in the United States of America and are free from material misstatement whether caused by error or fraud,
- Render opinions on the financial statements as of June 30, 2024 and for the year then ending, and
- Perform an audit of the University's compliance with federal award requirements in accordance with OMB Uniform Guidance.

Our audits do not relieve management of its responsibilities with regard to the financial statements.

An audit of financial statements includes obtaining an understanding of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting.

Our audit deliverables

- Opinion on the financial statements of the University, the aggregate discretely presented component units and the aggregate remaining fund information
- Opinions for each of the five individual Medical Centers' financial statements,
- Opinions pertaining to the UC Retirement System, including an opinion on the financial statements of the University's combined defined benefit plans and an opinion on the financial statements of the University of California Retirement Savings Program (UCRSP)
- Opinion on the University of California Retirement Plan's schedule of cash contributions
- Report on the University's compliance with laws, regulations, and provisions of contracts and grant agreements and on our consideration of its internal control over financial reporting
- Report on the University's compliance with requirements applicable to federal grants and contracts in accordance with OMB Uniform Guidance

Other services/comments

- Procedures in connection with periodic bond offerings, as applicable
- We continue to work with University management to expand its use of small business service providers for external audit and attest services. To the extent that other accountants contribute to or complete any of the above audit deliverables, we will update the Committee.

Note: The University's affiliated foundations, including campus foundations, and Fiat Lux Risk and Insurance Company ("Fiat Lux") have separate audits of their financial statements and the auditors reporting on those organizations are directed to their respective audit committees. Accordingly, this Audit Plan is not focused on the specifics of these entities. However, to the extent audit matters arise from those locations that warrant the attention of the Committee, we will ensure those matters are communicated.