



**Presentation of Audit and Advisory Services
Santa Cruz Campus
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UC Santa Cruz Facts and Figures

- Campus opened in fall 1965
- Responsible for over 6,088 acres incl. campus, Long Marine Lab, MBEST, UCO/Lick and Reserves
- 2008-09 expected enrollment 15,725
 - 14,255 Undergraduates
 - 1,470 Graduates
 - 3,850 frosh from over 27,800 applications
 - 77,340 degrees awarded to date.
- FY 2008 operating budget: \$522.5 M of which 38 percent was from the State of Calif.



UC Santa Cruz & Monterey Bay

Photo courtesy of
David Sievert

Monterey

Santa Cruz

Boardwalk

Long Marine
Lab

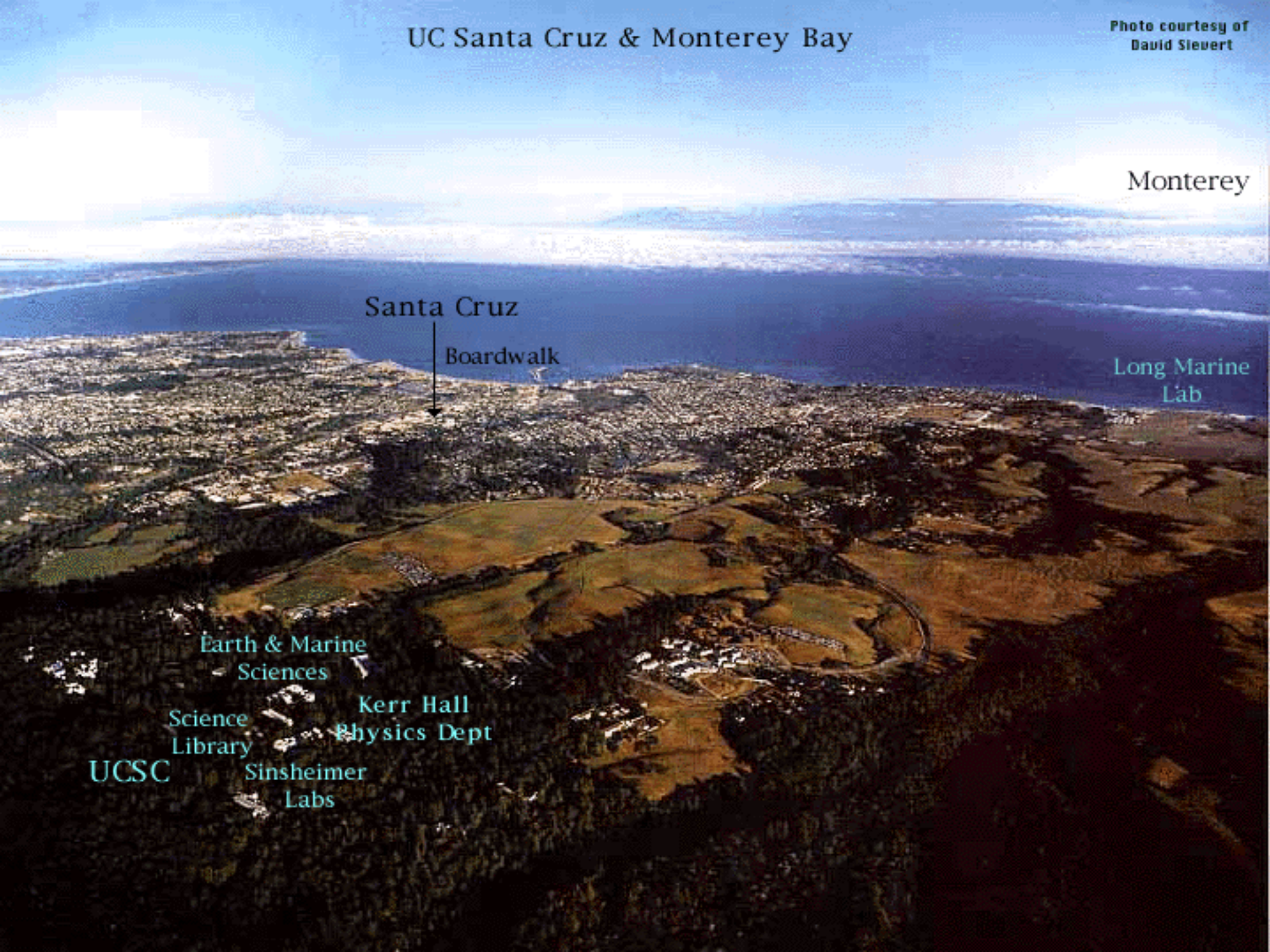
Earth & Marine
Sciences

Science
Library

Kerr Hall
Physics Dept

UCSC

Sinsheimer
Labs



University Affiliated Research Center at NASA Ames

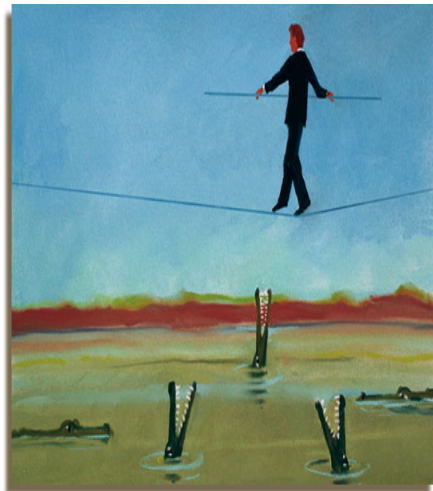


Top Two UCSC Control Risks

1. Reduction of resources for control activities due to state budget cuts while the campus is rapidly growing.
2. Difficulty of implementing information security as new risks quickly arise.

The Challenge

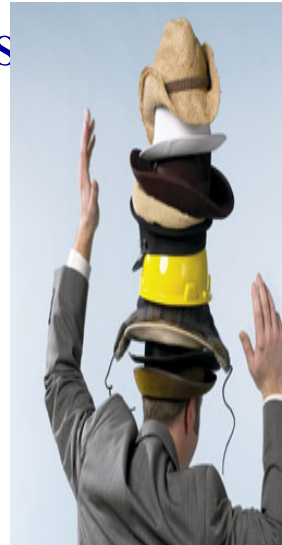
How to insure good governance, compliance, risk identification, and controls structures during a period of campus growth and funding cuts?



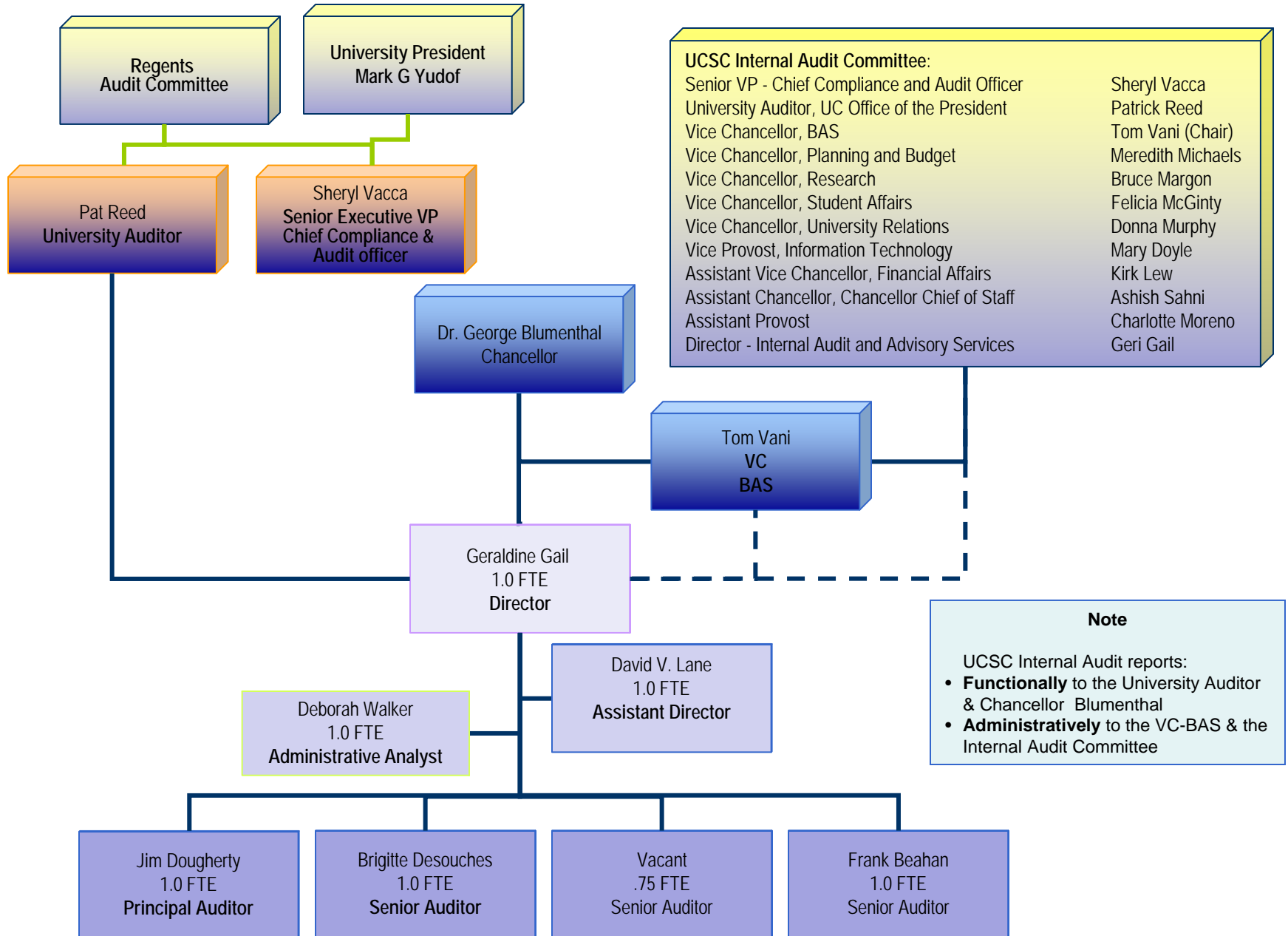
UCSC Internal Auditing Challenges

UCSC's 6.75 FTE audit staff are challenged to cover the risks of a rapidly growing and changing campus:

- UCSC has over 200 auditable campus processes, systems and units.
- We attempt to address campus risks while providing audit coverage required of the larger campus internal audit offices including:
 - Core Audits performed on a 3-5 year cycle
 - Top 10 high risk audits
 - Special Requests from UCOP, Regents, and campus management.



UCSC Audit Organization



UC Santa Cruz

Internal Audit and Advisory Services

Ways to maximize use of scarce resources:

1. Focus on Process Reviews.
2. Perform integrated audits.
3. Provide advisory services on Information Security and development teams:
 - a) Information Security Team; b) Credit Card Security Team; c) Health Insurance Portability and Accountability Security (HIPAA) Team; and d) Computing Security Incident Response Team
 - Accounts Receivable Systems Development Team
 - Campus/ City Ticketing System Development Team.

30 years of Internal Auditing

- There have been great advances in the Auditing profession
- Auditors must continually meet the challenge of new laws and regulations; new computing systems and threats, and changes to our organizations and staff.
- Our work is never done

Additional Observations and Recommendations



1. Continue to implement IT related security policies, procedures, control systems, and training.
2. Issue new and updated policies and procedures.
3. Provide additional controls and compliance related training.