Approved

COMPLIANCE AND AUDIT COMMITTEE
July 17, 2025

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

COMPLIANCE PLAN FOR 2025-26 AND INTERNAL AUDIT PLAN FOR 2025-26

The Committee recommends that the Regents approve the Compliance Plan for 2025-26, as shown in Attachment 1, and the Internal Audit Plan for 2025-26, as shown in Attachment 2.

Committee vote: Regents Anguiano, Elliott, Makarechian, Matosantos, Park, and Reilly voting "aye."

Board vote: Regents Anguiano, Batchlor, Brooks, Cohen, Hernandez, Komoto, Kounalakis, Leib, Makarechian, Matosantos, Park, Reilly, Robinson, Sarris, and Wang voting "aye."

Compliance Plan 2025-26

Ethics, Compliance & Audit Services

Alexander A. Bustamante

Senior Vice President and Chief Compliance & Audit Officer

July 16, 2025

Compliance Plan

Risk assessment results

ECAS identified the following compliance risk priorities for 2025-26 through the systemwide risk assessment process. ECAS also identified other risk themes, shaped by recent federal actions.

	RESEARCH COMPLIANCE & SECURITY	EXPORT CONTROL	GENERAL COMPLIANCE	ADA	PRIVACY	HEALTHCARE COMPLIANCE
TOP RISKS	• Disclosures – conflicts of interest and commitment • Foreign gifts and contracts reporting • NSPM-33: cybersecurity requirements	• International collaborations and emerging technology • Restricted party screening and risk analysis on foreign parties	• AI governance • Clery compliance monitoring in the healthcare setting • Campus safety	• Digital accessibility and procurement	• Data management – classification, mapping, minimization • Data governance • Privacy and security program management	• Healthcare conflicts of interest and commitment • Direct supervision documentation • Coding and billing requirements
		• International travel and shipping • Security of controlled data • Economic sanctions	• Title VI: Discrimination	• Academic accommodations • Employment accomodations		• Documentation integrity: copy and paste

Research Security – National Security Presidential Memo (NSPM-33)

Mitigating risk to federal research funding through a coordinated compliance strategy

NSPM-33 requires campuses receiving federal research funding above a set threshold to **implement a Research Security Program,** led by a designated officer. This program must address cybersecurity, export control, research security training and international travel security. The designated officer is also responsible for **annually certifying** to the federal government that these measures are effectively implemented. Final guidance on NSPM-33 from the White House Office of Science and Technology Policy is expected in late 2025.

Identified Risks	Failure to establish a required Research Security Program (RSP), implement appropriate mechanisms to evaluate compliance for certification purposes, and ensure campuses take a consistent and coordinated approach aligned with federal requirements creates significant risk exposure to UC.
Impact of Non-Compliance	Non-compliance with NSPM-33 may result in the loss of federal research funding, heightened government scrutiny, and potential violations of the False Claims Act.

ECAS Strategy to Address the Risk

Major Initiatives	• ECAS will continue to coordinate with campuses to establish consistent certification processes and align research security programs in key areas such as cybersecurity, training, international travel and documentation.
Training	• ECAS will design and develop tools, resources and training to support Research Security Officers and facilitate an effective program implementation and ongoing compliance with federal requirements.
Federal Collaboration	• ECAS will continue to strengthen our partnerships with the Federal Demonstration Partnership and federal agencies to deliver training materials, share best practices and ensure the UC research community remains aligned with federal expectations and informed on the latest updates and emerging compliance requirements.

Research Compliance – International Engagements

Improving transparency and compliance with foreign gift reporting

U.S. Department of Education Section 117 of the Higher Education Act requires U.S. universities to **disclose gifts and contracts from foreign sources** above certain thresholds. A new Executive Order entitled **"Transparency Regarding Foreign Influence at American Universities**" strengthens enforcement and signals heightened federal concern over foreign influence in research and higher education.

Identified Risks	UC must maintain consistent tracking and reporting of foreign gifts and contracts. Reporting gaps in this area increase the risk of non-compliance with federal disclosure requirements under Section 117.
Impact of Non-Compliance	Failure to properly disclose foreign gifts or contracts may lead to substantial penalties, loss of eligibility for federal research funding and student financial aid and other restrictions on federal financial assistance.

ECAS Strategy to Address the Risk

Major Initiatives	• ECAS will issue a compliance alert outlining updated obligations and risk areas related to new federal expectations and the recent Executive Order. • ECAS will partner with campus stakeholders to conduct a comprehensive inventory of foreign gifts and contracts across all UC locations.
Training	• ECAS will develop resources for campuses including a suggested centralized tool to support the consistent data collection across campuses. This effort will also support the evaluation and improvement of local procedures for tracking, reporting and verifying data accuracy in compliance with Section 117.

Export Control – International Affiliations

Mitigating risk through oversight, training and federal alignment

Export controls are federal regulations that protect U.S. technology and innovation by supporting national security, foreign policy and economic goals. Under the "**America First Trade Policy" Executive Order** (January 20, 2025), enforcement of export controls and sanctions (including at universities) are prioritized.

Identified Risks	UC is facing heightened federal scrutiny and evolving expectations around export control, particularly in research involving sensitive technologies and international collaborations. It is essential for UC to keep up-to-date inventory of any items, data and software that might be subject to export control and awareness of the requirements. Gaps in oversight, training or documentation increase the risk of inadvertent violations.
Impact of Non-Compliance	Violations can lead to civil and criminal penalties, loss of export privileges and government contracts, reputational damage and delays to critical research activities.

ECAS Strategy to Address the Risk

Major Initiatives	• ECAS will collaborate with Risk Services, UC Legal and Research Policy Analysis and Coordination (RPAC) to evaluate monitoring tools that can flag export-sensitive activities and improve systemwide oversight. • ECAS will examine existing export control resources such as training, communications and inventory systems that may need enhancement to support proactive compliance.
Training	• ECAS will develop a new export control training module to meet evolving federal agency requirements under NSPM-33, to be delivered through campus learning management systems.
Federal Collaboration	• ECAS will continue working with the U.S. Department of Commerce's Bureau of Industry and Security to offer joint presentations and promote best practices across UC.

Research Compliance and Security – Disclosures

Enhancing transparency and accountability in federally funded research

Federal agencies are increasing oversight of disclosures throughout the research funding lifecycle. Under the **Restoring Gold Standard Science Executive Order** (May 23, 2025), agencies are required to apply stricter transparency and scientific integrity standards to all federally funded work, including disclosures, data sharing and unbiased reviews.

Identified Risks	UC conducts a high volume of federally funded research and must provide accurate disclosures for these projects. In addition, disclosure requirements for researchers differ across federal funding agencies. These complexities create the risk of UC researchers and campuses submitting incomplete disclosures exposing UC to regulatory scrutiny.
Impact of Non-Compliance	Failure to meet disclosure requirements can result in loss of federal research funding, False Claims Act violations, reputational harm and reduced eligibility for future grants.

ECAS Strategy to Address the Risk

Major Initiatives	• ECAS will initiate a comprehensive update to the biannual Compliance Briefing for Researchers. This mandatory course applies to all individuals conducting research across the UC system and will reflect evolving federal requirements and emerging compliance risks.
Training	• ECAS will deliver training that covers federal, state and UC requirements related to transparency, disclosure and scientific integrity, in partnership with UC Legal and campus stakeholders.
Federal Collaboration	• ECAS will deliver webinar training on research integrity and compliance to systemwide stakeholders in partnership with the U.S. Department of Health and Human Services, Office of Research Integrity.

General Compliance – Risk Assessment and Training

Strengthening systemwide accountability through consistent risk practices and compliance education

The ECAS General Compliance function supports systemwide oversight in areas such as the Clery Act and Artificial Intelligence (AI) and emerging technologies. Many of these areas are addressed individually in this plan. General Compliance also manages the UC-wide campus risk assessment process and creates content for systemwide compliance trainings.

Identified Risks	UC operates within a dynamic and complex regulatory landscape. Without structured, regular risk assessments, campuses may struggle to prioritize compliance efforts, allocate resources effectively, or support faculty and staff in navigating relevant policies and regulations.
Impact of Non-Compliance	Inadequate risk assessment limits UC's ability to meet regulatory obligations and respond to emerging risks. Federal agencies consider the strength of an institution's compliance program and its risk-based decision-making when determining oversight actions and potential penalties. Weak practices can result in regulatory gaps, operational inefficiencies, and reputational harm.

ECAS Strategy to Address the Risk

Major Initiatives	• ECAS will launch the third phase of the Campus Risk Assessment maturity process. This phase will focus on a unified risk framework, using a common methodology to rate risks and improve reporting. ECAS will also expand data sharing with compliance partners to align practices and provide leadership the insight needed to address the highest risk priorities.
Training	• ECAS will develop and host a new virtual orientation that will be implemented for compliance professionals across the system. Key topics will include governance, compliance fundamentals, presidential policy development, systemwide audit and investigation functions, and cross-cutting compliance considerations. • ECAS will host a webinar on the new college athletics compliance requirements taking effect July 1, 2025. The webinar will help compliance officers understand key requirements and oversight expectations.

General Compliance – Clery Act Compliance Program

Supporting systemwide safety reporting and regulatory alignment

The federal Clery Act* requires universities to report campus crime statistics, maintain safety policies and ensure designated staff are properly trained. New laws, such as the **Stop Campus Hazing Act and California Assembly Bill 2193**, add hazing as a reportable crime that increasing compliance requirements. In the current dynamic campus climate, these obligations are more critical than ever. Federal oversight remains high, and UC is among the institutions facing increased scrutiny.

Identified Risks	Failure to adapt Clery Act compliance efforts could result in noncompliance and legal claims under state law and reputational harm. Incomplete property inventories and inconsistent training for Campus Security Authorities (CSAs) further weaken UC's ability to meet Clery Act obligations and protect students.
Impact of Non-Compliance	Lack of compliance with Clery Act and related laws may lead to federal investigations, legal liability, significant fines and reputational harm. It also undermines UC's ability to maintain a safe campus environment.

ECAS Strategy to Address the Risk

Major Initiatives	• ECAS will convene a working group to provide regulatory guidance for consistent systemwide implementation of the Stop Campus Hazing Act, particularly in the absence of federal direction. • ECAS will partner with UC Legal, UC Real Estate & Strategies and UC Investments to identify properties that fall within Clery Act-reportable sites. This is important to ensure accurate crime reporting and meeting federal requirements tied to all UC-owned or affiliated locations.
Training	• ECAS will collaborate with campus Clery Officers to help assist all designated Campus Security Authorities (CSAs) receive updated, accessible training incorporating Stop Campus Hazing Act requirements.

* Jeanne Clery Campus Safety Act

Americans with Disabilities Act (ADA) Compliance Program

Addressing federal standards and enforcement priorities under ADA law

Title II of the Americans with Disabilities Act mandates that all university facilities, programs and services be accessible to individuals with disabilities. The act was **updated in 2024 to include specific digital accessibility requirements and technical standards**. This represents a significant expansion from current UC policy requirements, amid increased enforcement by the U.S. Department of Education and the risk of civil litigation.

Identified Risks	UC faces significant compliance risk due to outdated digital systems, inconsistent accessibility practices and limited capacity to meet the updated ADA requirements. **Enforcement of the revised Title II digital accessibility regulations begins in April 2026**, further heightening these risks.
Impact of Non-Compliance	Failure to meet ADA and other related obligations may limit program accessibility for individuals with disabilities, result in mandated corrective actions, restricted access to federal funding and legal claims from individuals or advocacy groups for discriminatory practices.

ECAS Strategy to Address the Risk

Major Initiatives	• Title II outlines a broad set of compliance requirements. While the mandate is extensive, ECAS will focus on key areas where systemwide coordination and targeted compliance guidance can support the most immediate improvements. • ECAS will develop a systemwide risk matrix, in collaboration with UC Legal, to assess digital assets and technologies and guide strategic testing and remediation efforts. This initiative supports compliance with revised Title II digital accessibility standards and addresses emerging institutional risk.
Training	• ECAS will partner with UC Legal and the Systemwide Office of Civil Rights to launch monthly Digital Accessibility Office Hours, to support campus implementation. These sessions will build on the existing webinar series to promote consistent, systemwide readiness and provide practical guidance.

Privacy Compliance Program

Protecting institutional and personal data across the UC system

Privacy compliance at UC touches all areas of the institution, including student, employee, patient and research data, as well as third-party sharing and breach response. State, federal and international regulations including the California Information Practices Act (IPA), the European Union's General Data Protection Regulation (GDPR), Federal Trade Commission (FTC) regulations, Health Insurance Portability and Accountability Act (HIPAA) and the Family Educational Rights and Privacy Act (FERPA) create a complex regulatory environment. Ensuring compliance with these regulations is essential to protecting and maintaining trust with the UC community and the public.

Identified Risks	UC's large and complex data environment makes it challenging to track, manage and protect sensitive information. Inconsistent governance, limited visibility and the rapid growth of AI-enabled technologies that use UC data further increase the risk of privacy breaches, legal violations and potential harm to individuals and the institution.
Impact of Non-Compliance	Privacy violations can expose personal and institutional data, potentially leading to identity theft, loss of trust and harm to individuals. UC could face government investigations, fines and other legal or financial penalties.

ECAS Strategy to Address the Risk

Major Initiatives	• ECAS will begin the first phase of a systemwide privacy data governance effort. The initial phase will focus on helping UCOP identify and inventory key data assets using a risk-based approach. This multi-year project will align with the National Institute of Standards and Technology (NIST) Privacy Framework and establish consistent practices for protecting personal and sensitive data. • ECAS will acquire or develop a Governance, Risk and Compliance (GRC) tool to support systemwide tracking of privacy vendor reviews, evaluation of data-driven and AI-enabled tools, and compliance with applicable privacy regulations.
Training	• ECAS will continue to build out our privacy compliance program. This includes engaging key stakeholders, developing targeted training materials and launching a risk assessment tool to guide users through complex data privacy decisions.

Healthcare Compliance Program

Systemwide consistency and support for healthcare compliance across UC academic medical centers

UC's academic medical centers (AMCs) are among the most complex and heavily regulated entities within the University. Compliance efforts are shaped by **updated guidance from the Office of Inspector General** and the U.S. Department of Justice's White-Collar Enforcement Plan, which identify healthcare as a top enforcement priority. Key goals include protecting government health programs (e.g., Medicare and Medicaid) from fraud and abuse, ensuring patient safety and the quality of care and safeguarding sensitive and valuable patient data.

Identified Risks	UC healthcare entities face legal and regulatory risks due to the complexity of billing, data privacy requirements and oversight of expanding health services. Community hospital acquisitions and evolving regulations increase the potential for compliance gaps.
Impact of Non-Compliance	Violations of healthcare laws and regulations can lead to penalties, loss of accreditation, exclusion from federal programs and in some cases, criminal charges against individuals or the institution.

ECAS Strategy to Address the Risk

Major Initiatives	• ECAS will enhance the systemwide healthcare risk assessment process with a new survey tool to improve AMC identified risks and workplan reporting. This will improve visibility into AMC initiatives, strengthen the ability to identify and address emerging risks and help leadership prioritize limited resources.
Training	• ECAS will issue a new compliance alert and checklist to address the risks tied to community hospital acquisitions, including regulatory due diligence, billing practices and fraud prevention. • ECAS will launch the first phase of a multi-year review of twelve systemwide HIPAA policies to align policies with current laws and practices.

Compliance Plan – Collaborations

ECAS routinely engages with numerous systemwide stakeholder groups to raise awareness of regulatory issues, share best practices, discuss challenges and prioritize compliance initiatives.

COMPLIANCE AREA	STAKEHOLDERS
Research	Research Compliance Officers, RPAC, Export Control Officers, IRB Directors, Conflict of Interest Officers, Associate Vice Chancellors of Research, Systemwide Information Security, Research Integrity Officers, CECOs, UC Legal, Government Relations
Export Control	Export Control Officers, Research Compliance Officers, OP Research Policy Analysis and Coordination (RPAC), Senior International Officers, Contracts and Agreements Officers, International Students and Scholars Directors, Systemwide Information Security, Academic Senate, CECOs, UC Legal
Clery	Campus Clery Officers, CECOs, Systemwide Title IX, Systemwide Community Safety, UC Legal, Systemwide Graduate and undergraduate Affairs, systemwide Investments, Systemwide Office of Civil Rights, Systemwide Risk Services
ADA	Campus ADA Compliance Officers, Disability Services Officers, Student Affairs, Academic Senate, Information Technology, Procurement, Environmental Health and Safety, Design and Construction, Campus Chief Ethics and Compliance Officers (CECOs), UC Legal, Systemwide Office for Civil Rights, Systemwide Human Resources, Government Relations
Campus Privacy	Campus Privacy Officers, UC Legal, UCOP Security and IT Teams, Systemwide Information Security, CECOs, UC AI Council
Healthcare & Health Privacy	Healthcare Compliance & Privacy Officers, UC Health, UC Legal, RPAC, Institutional Review Board (IRB) Directors, Procurement, UCOP Security and IT Teams, Systemwide Information Security, CECOs, UC Health AI Governance Forum, UC Health Data Oversight Committee, Systemwide Clinical Research Billing Subcommittee, Systemwide Risk Services
Policy	Campus Policy Managers, President's Executive Office, Policy Advisory Committee, Policy Owners, CECOs, UC Legal

Internal Audit Plan 2025-26

Ethics, Compliance & Audit Services

Alexander A. Bustamante

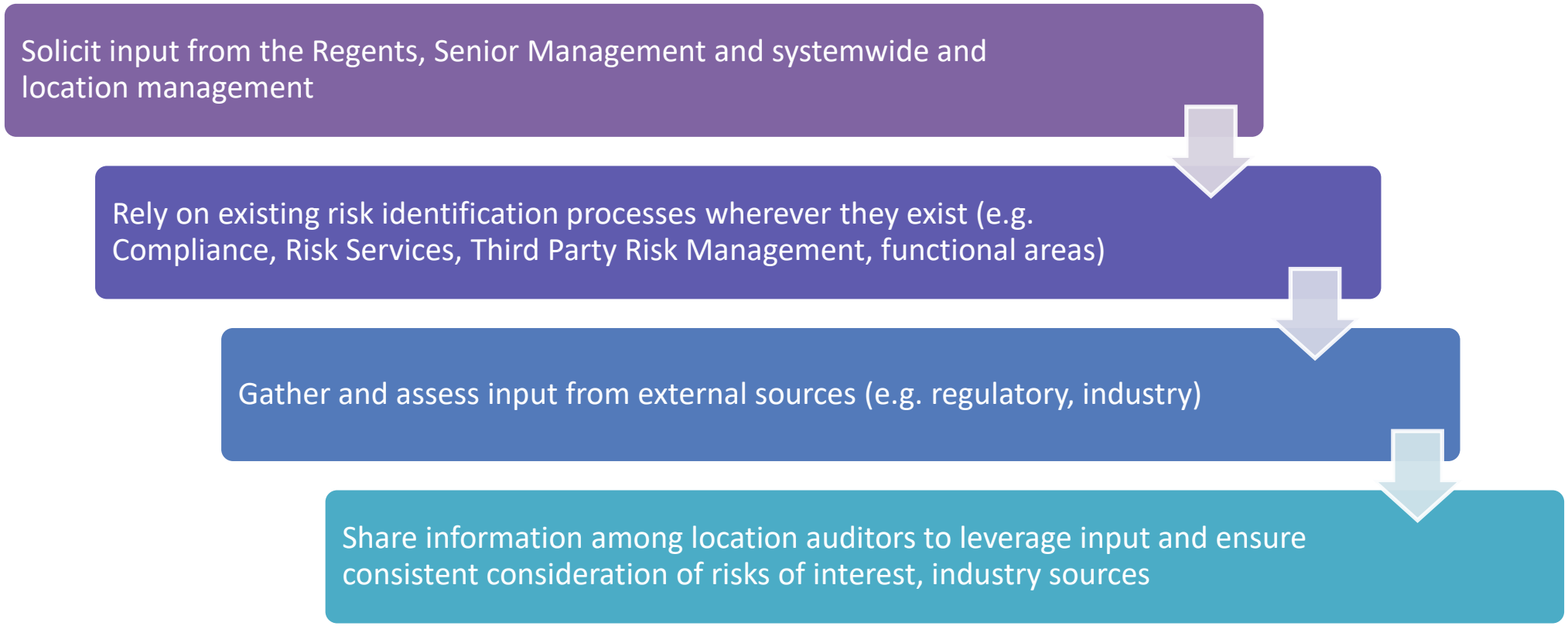
Senior Vice President and Chief Compliance & Audit Officer

July 16, 2025

Risk Assessment and Plan Development

Risk assessment process

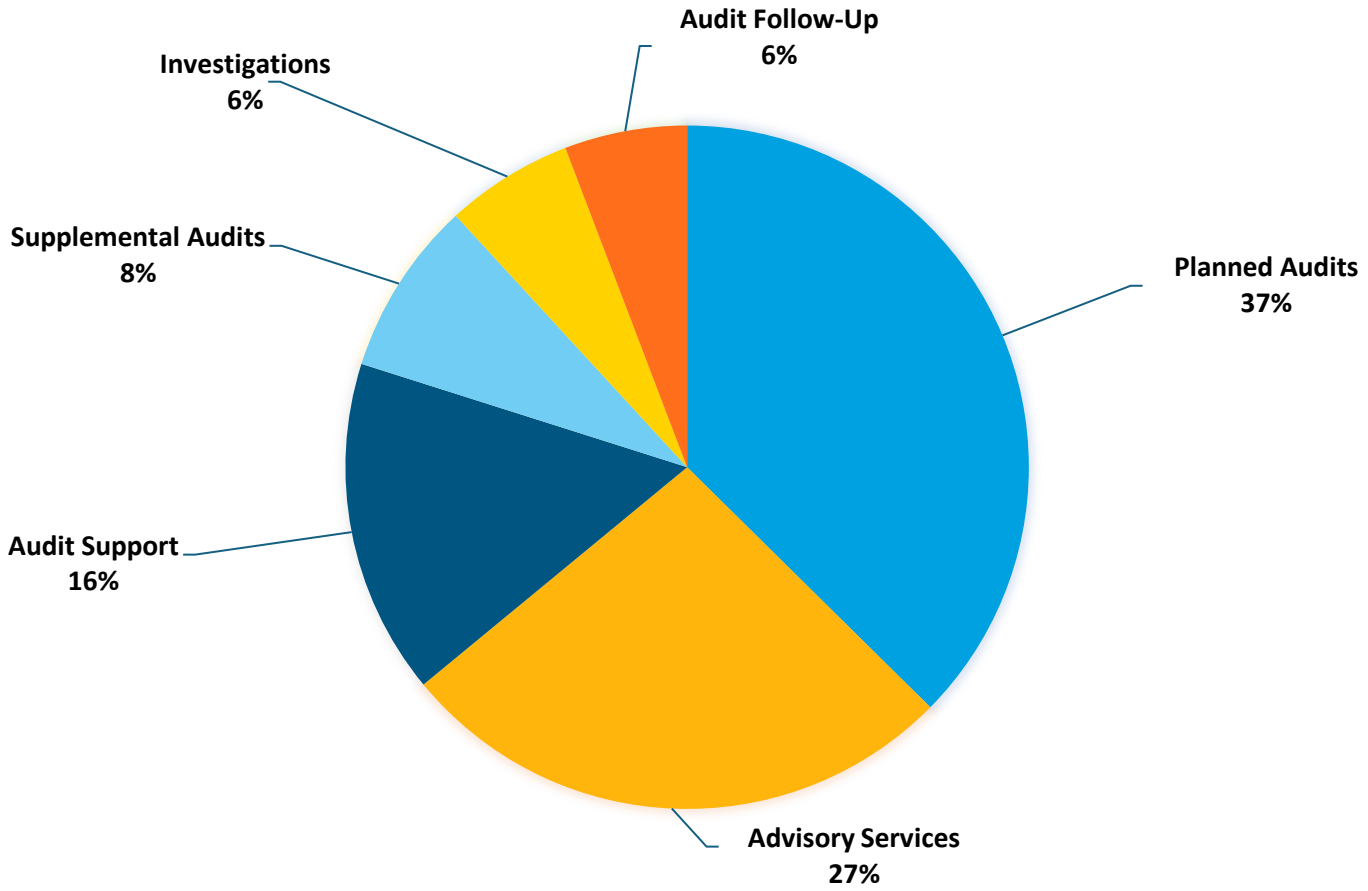
The result of the risk assessment is an informed perspective on the current risk environment, including a prioritization of risks that are scalable to available resources. The key steps in the annual audit risk assessment process are outlined below:



Distribution of Direct Hours

Distribution by project type

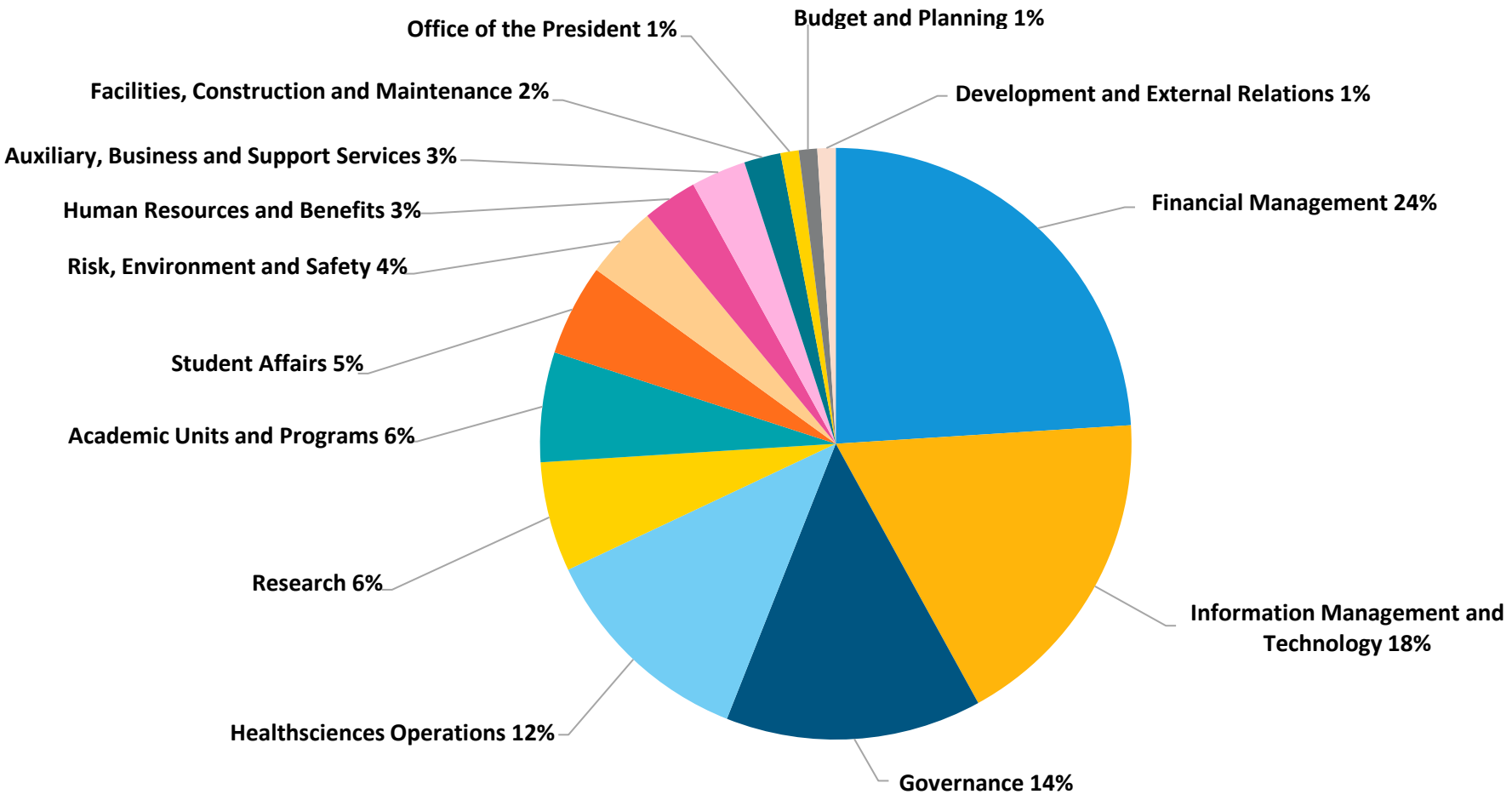
The chart below depicts the direct hours distribution by project type for the 2025-26 plan. As shown in this chart, Internal Audit has allocated a larger portion of its planned project hours to advisory services compared to prior years (27% in 2025-26 compared to 22% in both 2023-24 and 2024-25, representing an increase of over 6,500 hours). This shift reflects Internal Audit's strategic priority to perform more projects in an advisory role, allowing Internal Audit to work with management in a more collaborative relationship to address the University's most significant risks.



Distribution of Direct Hours

Planned projects by functional area

This chart illustrates the distribution of Internal Audit's 2025-26 planned projects by functional area. Internal Audit allocated over half of its planned project hours to financial management, information management and technology, and governance.



Systemwide Audits and Advisory Services

Systemwide Audits and Advisory Services | Cybersecurity Audits and Advisory Services | Location Audit Themes

The following projects are planned systemwide audits to be performed by ECAS in 2025-26. ECAS conducts systemwide audits for the purpose of reviewing an existing or potential issue across the UC system to identify and address common risk areas.

Operational Efficiency	To assist UC leadership in managing budget reductions, ECAS will coordinate a systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.
Travel and Entertainment Analytics	ECAS will coordinate execution of data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.
Title IX	ECAS will conduct campus audits of Title IX compliance efforts to comply with a recommendation from the California State Auditor. These audits will include evaluation of ongoing implementation of prior California State Auditor recommendations.
Executive Compensation	ECAS will coordinate evaluations of the Annual Report on Executive Compensation and required reports on Chancellor expenses. This audit is performed by local internal audit departments on a rolling three-year cycle.

Cybersecurity Audits and Advisory Services

Systemwide Audits and Advisory Services | **Cybersecurity Audits and Advisory Services** | Location Audit Themes

ECAS' Cybersecurity Audit Team (CAT) identified the following priority audits for 2025-26 to address cybersecurity risks. The CAT is a specialized unit within the systemwide Office of Audit Services that supports local internal audit offices with cybersecurity expertise and performs specialized internal audit projects across the system.

Compliance with President's Cyber Letter	ECAS will lead a systemwide audit to evaluate compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans. The audit will provide leadership with assurance on UC's alignment with systemwide cybersecurity expectations and highlight opportunities to further enhance institutional resilience.
Post-Incident Cybersecurity Controls	ECAS will review selected high-risk cybersecurity incidents across UC campuses and health centers to ensure locations have effectively identified underlying control gaps following incidents and implemented corrective actions. Findings will inform senior leadership about the effectiveness of post-incident response measures, identify systemic vulnerabilities and recommend strategies to strengthen overall cybersecurity preparedness.
Cyber Vulnerability Mitigation Advisory Services	ECAS will conduct targeted vulnerability assessments and penetration tests across UC campuses and health centers, emphasizing areas identified as high-risk through strategic collaboration with local IT leadership. The objective is to proactively identify critical cybersecurity vulnerabilities and deliver actionable recommendations to mitigate risks of exploitation and strengthen cybersecurity defenses.

Location Audit Themes

Systemwide Audits and Advisory Services | Cybersecurity Audits and Advisory Services | **Location Audit Themes**

Each location's internal audit plan is developed by its local internal audit department based on a risk assessment using a consistent systemwide methodology. ECAS identified the following themes in its analysis of local audit plans. This analysis illustrates that UC's internal audit departments are addressing a broad range of high-risk topics in their 2025-26 plans.

Healthcare	Compliance	Information Technology	Financial Management	Campus Operations
• Revenue cycle • Chaperone policy • Price Transparency and No Surprises Act	• Sponsored projects • Research security • Foreign gift reporting • Conflict of interest/conflict of commitment	• Vulnerability management • IT recovery • System access • Enterprise system implementations	• Payroll • Travel and entertainment • Procurement • Financial aid • Incentive plans • Deficit management • Fraud risk management	• Athletics • Emergency management • Construction • Gift administration • Housing and hospitality

Resources and Planned Allocation of Effort

Distribution of available hours

The table to the right provides a more detailed breakdown of planned time as a basis for ongoing accountability. Planned allocation of effort for 2025-26 includes:

- **Professional Development:** Over 8,200 hours for professional development to enhance the knowledge, skills and competencies of UC's internal audit professionals and to ensure they remain effective, informed and aligned with evolving industry standards and organizational needs.
- **Supplemental Audits:** Over 13,400 hours for supplemental audits to accommodate audit needs that arise during the fiscal year.
- **Audit Follow-up:** Over 9,300 hours dedicated to follow-up on prior audit projects to validate implementation of corrective actions.
- **Quality Assurance:** Approximately 7,000 hours for audit quality assurance, including effort associated with the recently established systemwide audit quality assurance function which assesses adherence to audit standards and identifies opportunities to further optimize UC's internal audit function.

	2025-26		3/31/2025 Annualized	
	Plan	Percent	Actual	Percent
INDIRECT HOURS				
Administration	15,655	8.4%	23,263	12.8%
Professional Development	8,241	4.4%	8,094	4.5%
Other	1,222	0.7%	-	0.0%
TOTAL INDIRECT HOURS	**25,118**	**13.5%**	**31,356**	**17.3%**
DIRECT HOURS				
Audit Program				
Planned New Audits	59,986	32.1%	77,687	42.9%
Supplemental Audits	13,407	7.2%	4,981	2.7%
Audit Follow up	9,395	5.0%	7,740	4.3%
Total Audit Program Hours	**82,788**	**44.3%**	**90,407**	**49.9%**
Advisory Services				
Consultations/Spec. Projects	34,359	18.4%	28,457	15.7%
Ext. Audit Coordination	4,910	2.6%	4,015	2.2%
Systems Dev., Reengineering Teams, etc.	1,807	1.0%	76	0.0%
Internal Control & Accountability	1,400	0.7%	977	0.5%
Compliance Support	540	0.3%	128	0.1%
IPA, COI & Other	330	0.2%	75	0.0%
Total Advisory Services Hours	**43,346**	**23.2%**	**33,728**	**18.5%**
Investigations Hours	**9,780**	**5.2%**	**5,647**	**3.1%**
Audit Support Activities				
Audit Planning	4,894	2.6%	3,262	1.8%
Audit Committee Support	1,837	1.0%	1,092	0.6%
Systemwide Audit Support	7,381	4.0%	6,850	3.8%
Computer Support*	4,608	2.5%	4,268	2.4%
Quality Assurance	6,977	3.7%	4,697	2.6%
Total Audit Support Hours	**25,697**	**13.8%**	**20,169**	**11.2%**
TOTAL DIRECT HOURS	**161,611**	**86.5%**	**149,951**	**82.7%**
TOTAL NET AVAILABLE HOURS	**186,729**	**100.0%**	**181,308**	**100.0%**

* Includes time spent on audit management system upgrades and functional enhancement

Planned Internal Audit Projects

The following tables list all the planned audit and advisory service projects at each location, their proposed general scope and corresponding planned hours.

UC OFFICE OF THE PRESIDENT - AUDITS	SCOPE STATEMENT	HOURS
Compliance with President's Cyber Letter (Systemwide)	An audit of each UC location's compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans. Specifically, auditors will assess adherence to mandatory security awareness training, protocols for incident escalation, and implementation of critical technical controls, including Endpoint Detection and Response (EDR), Multi-Factor Authentication (MFA), and Data Loss Prevention (DLP). The audit will provide leadership with assurance about the University's alignment with systemwide cybersecurity expectations and highlight opportunities to further enhance institutional resilience.	900
Title IX Compliance (Systemwide)	Ethics, Compliance and Audit Services (ECAS) will conduct campus audits of Title IX compliance efforts to comply with a recommendation from the California State Auditor. These audits will include evaluation of ongoing implementation of prior California State Auditor recommendations.	850
Medical Centers Clinical Enterprise Management Recognition Plan (CEMRP)	Annual audit to assess the accuracy of CEMRP award calculations and award compliance with the incentive plan.	300
Office of the Treasurer Annual Incentive Plan (AIP)	Annual audit to assess the accuracy of AIP award calculations and annual payouts and verify compliance with the incentive plan.	200
Electric Service Provider (ESP) Power Supply Validation	Annual audit of power content reporting to the California Energy Commission (CEC).	75
Payroll Suspense Accounts	An audit to identify suspense account balances in the UCPath subledger for all locations. The audit will assess whether suspense transactions are being resolved timely, and if UC has foregone opportunities to charge the intended fund sources (federal, state, and other grants--including the associated Facilities & Administrative).	300
Agriculture and Natural Resources (ANR) Intellectual Property	An audit to evaluate compliance with memorandums of understanding (MOUs) between ANR, UC Davis and UC Riverside regarding allocation and distribution of revenue from intellectual property that is co-mingled between the three organizations.	275
Retirement Administration Service Center (RASC) Audit Follow Up	Validation of management corrective actions from the audit of the RASC.	450

Planned Internal Audit Projects

UC OFFICE OF THE PRESIDENT - AUDITS (CONT.)	SCOPE STATEMENT	HOURS
Post-Incident Cybersecurity Controls	A review selected high-risk cybersecurity incidents across UC campuses and health centers to ensure locations have effectively identified underlying control gaps following incidents and implemented corrective actions. Auditors will evaluate whether implemented improvements are sufficient, effective, and appropriately applied across the location to prevent recurrence. Findings will inform senior leadership about the effectiveness of post-incident response measures, identify systemic vulnerabilities, and recommend strategies to strengthen overall cybersecurity preparedness across the University.	1,000
Threat Detection and Identification (TDI) Audit Follow Up	Evaluate the implementation of recommendations from the fiscal year 2020-21 TDI audit across UC locations and at the Office of the President.	100
UC OFFICE OF THE PRESIDENT - ADVISORY SERVICES	**SCOPE STATEMENT**	**HOURS**
Operational Efficiency (Systemwide)	ECAS will coordinate a systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.	350
Travel and Entertainment Analytics (Systemwide)	ECAS will coordinate execution of data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.	300
International Locations	An advisory review to identify a more comprehensive inventory of UC's international locations, perform risk assessments of these locations, and perform targeted reviews of higher risk locations. Assessments will consider compliance, financial and operational risks.	250
Agriculture and Natural Resources (ANR) Procure-to-Pay Internal Controls Review	An assessment of internal controls for the end-to-end procure-to-pay cycle for ANR, including requisitioning, vendor selection/sourcing, purchase orders, fulfillment, payment authorization and payment.	350
ANR Advisory Services	Reserved for ad hoc advisory assistance to ANR leadership on emerging risks.	100
Patent Acknowledgement Compliance Advisory Assistance	Advisory assistance to improve Patent Acknowledgement compliance across the system.	50

Planned Internal Audit Projects

UC OFFICE OF THE PRESIDENT - ADVISORY SERVICES (CONT.)	SCOPE STATEMENT	HOURS
Cyber Vulnerability Mitigation Advisory Services	An advisory service to conduct targeted vulnerability assessments and penetration tests across UC campuses and medical centers, emphasizing areas identified as high-risk through strategic collaboration with campus Chief Information Officers (CIOs) and Chief Information Security Officers (CISOs). The objective is to proactively identify critical cybersecurity vulnerabilities and deliver actionable recommendations to mitigate risks of exploitation and strengthen cybersecurity defenses. Leadership will receive clear, prioritized guidance to address vulnerabilities and enhance the overall cybersecurity posture of their respective locations.	1,500
	UC Office of the President sub-total	7,350

LBNL - AUDITS	SCOPE STATEMENT	HOURS
FY25 UC National Lab (UCNL) Home Office Costs	Audit of FY25 UCNL home office costs charged to LBNL.	450
FY26 OMB A-123 Information Technology (IT) General Controls	Audit of selected IT controls for compliance with Office of Management and Budget (OMB) A-123 requirements.	550
Conflict of Interest - Conflict of Commitment	Assessment of the adequacy of controls in the Lab's Conflict of Interest program.	650
Frontier Energy, Inc. Subcontract #7428376	Audit of invoiced costs under the Time & Materials (T&M) subcontract for research on Heating, Ventilation, and Air Conditioning (HVAC) systems and technologies.	650
Quantum Systems Accelerator (QSA) Scientific Roadmap IUT #7562496	Audit of Intra University Transaction (IUT) payments to UC Berkeley for research on the QSA scientific roadmap.	650
Dark Energy Spectroscopic Instrument (DESI) Project IUT #7495418	Audit of IUT payments to UC Berkeley for support of the DESI Operations Program.	650
EmeryStation (ES) East LLC Subcontract #6863442	Audit of invoiced costs for variable items pertaining to the Lab Joint BioEnergy Institute (JBEI) leased space at 5885 Hollis St., Emeryville.	650
Engineering Resources Remediation Group (ERRG) Subcontract #7551229	Audit of invoiced costs to ERRG for B-79 Demolition & Site Preparation Project.	650

Planned Internal Audit Projects

LBNL - ADVISORY SERVICES	SCOPE STATEMENT	HOURS
FY25 Incurred Cost Submission (ICS) Review	Quality assurance review and mathematical verification of ICS schedules prior to Department of Energy (DOE) submission.	450
	LBNL sub-total	5,350

UC BERKELEY - AUDITS	SCOPE STATEMENT	HOURS
IT Support Systems for Student Advising	Evaluate the current implementation and functional capabilities of IT systems that support student advising.	450
UC Berkeley Dining - Food Procurement	Evaluate the design and operating effectiveness of departmental processes and internal controls related to key functions and responsibilities in UC Berkeley Dining related to food procurement.	450
Conflict of Commitment - Academic Personnel Manual (APM)-025	Evaluate the design and operating effectiveness of processes and internal controls related to compliance with APM-025 (Conflict of Commitment and Outside Activities).	450
IT Recovery - Information Security (IS)-12	Evaluate the current state of campus compliance with the systemwide IT Recovery policy (IS-12).	450
Annual Report on Executive Compensation (Systemwide)	Verify the accuracy, completeness, and timely preparation of the Annual Report on Executive Compensation.	300
Chancellor Expenses (Systemwide)	Review annual Chancellor expense reports to ensure that they have been prepared, reviewed, and submitted in accordance with policy.	300
Compliance with President's Cyber Letter (Systemwide)	A systemwide audit to evaluate compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans.	350
UC BERKELEY - ADVISORY SERVICES	**SCOPE STATEMENT**	**HOURS**
Operational Efficiency (Systemwide)	A systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures, and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.	300
Travel and Entertainment Analytics (Systemwide)	A systemwide advisory services project to execute data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.	300
Key Data and Metrics for Internal and External Reporting	Advisory service to identify and catalog key data values and metrics, in addition to related internal controls, that are used for reporting to external entities and operational decision-making.	400
	UC Berkeley sub-total	3,750

Planned Internal Audit Projects

UC DAVIS - AUDITS	SCOPE STATEMENT	HOURS
Global Affairs Administrative Review	Standard five-year review looking at sources and uses, staffing, controls questionnaire, stakeholder feedback, and other topics as identified during preliminary work.	250
College of Engineering Administrative Review	Standard five-year review looking at sources and uses, staffing, controls questionnaire, stakeholder feedback, and other topics as identified during preliminary work.	300
College of Biological Sciences Administrative Review	Standard five-year review looking at sources and uses, staffing, controls questionnaire, stakeholder feedback, and other topics as identified during preliminary work.	300
Graduate School of Management Administrative Review	Standard five-year review looking at sources and uses, staffing, controls questionnaire, stakeholder feedback, and other topics as identified during preliminary work.	250
Development and Alumni Relations (DEVAR) Administrative Review	Standard five-year review looking at sources and uses, staffing, controls questionnaire, stakeholder feedback, and other topics as identified during preliminary work.	250
School of Medicine (SOM) Transition Review	Standard transition review looking at sources and uses, staffing, controls questionnaire, stakeholder feedback, and other topics as identified during preliminary work.	300
Controlled Unclassified Information	Review of processes for ensuring that UC Davis can attest with certainty that it is compliant with Federal regulations on the handling of controlled unclassified information.	300
Veterinary Medicine Revenue	Review of processes for billing and payment processing for clinical veterinary services.	300
Clinical Trials Billing	Review of processes to ensure that costs for clinical trials are appropriately billed to studies, payors, and/or patients.	300
Professional Billing Charge Lag	Review of timeliness of healthcare charge capture processes, with a focus on professional fees.	300
Lab Revenue	Review of billing and accounts receivable processes for laboratory revenue.	300
Hospital Disposables Supply Chain	Review of procurement processes for hospital disposables, with a focus on high-volume supplies such as gloves, masks, etc.	300
SOM Gifts Receipting	Review of processes for receiving and processing external gifts to SOM.	300
National Security Presidential Memorandum (NSPM)-33 Annual Reporting	Review of processes for ensuring that UC Davis can attest with certainty that it is compliant with Federal regulations on research cybersecurity.	300
Non-employee Identity Proofing	Review of processes for vetting non-employees who enter sensitive areas.	300
Procurement Processing and Service Ticketing	Review of systems and processes for responding to procurement requests, with a focus on the research context.	300

Planned Internal Audit Projects

UC DAVIS – AUDITS (CONT.)	SCOPE STATEMENT	HOURS
How to Survive an Audit	Learning Management System (LMS) course for the research administrator audience. Part of the UC Davis Research Administrator certificate series.	150
Compliance with President's Cyber Letter (Systemwide)	A systemwide audit to evaluate compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans.	450
Travel and Entertainment Analytics (Systemwide)	A systemwide advisory services project to execute data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.	300
UC DAVIS - ADVISORY SERVICES	**SCOPE STATEMENT**	**HOURS**
Aggie Enterprise Receivables	Post-implementation assessment of the Aggie Enterprise Receivables module.	300
Athletics Cash Handling	Review of cash handling processes within Intercollegiate Athletics.	300
Paper Medical Records	Review of physical security and availability of paper medical records.	300
Basic Sciences Purchasing	Review of travel and purchase card transactions in the Basic Science departments.	300
Sunshine Act Compliance	Review of procedures for compliance with the Sunshine Act.	300
Compliance Office Coding Audit Process	Advisory to assess risk and plans to remediate risk related to the need for coding auditing services.	300
Travel Preapproval Small Consult	Assessment of the success of an ongoing pilot program to determine the effectiveness of travel preauthorization.	200
Epic Charge Capture Post-implementation	Post-implementation assessment of the Epic Charge Capture module.	300
Annual Review and Validation of Antidiscrimination Certifications	Validation of antidiscrimination certifications made at the request of the Chancellor's office.	300
Operational Efficiency (Systemwide)	A systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures, and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.	300
	UC Davis sub-total	8,450

Planned Internal Audit Projects

UC IRVINE - AUDITS	SCOPE STATEMENT	HOURS
Capital Asset Inventory Controls	Verify that capital assets are properly recorded, valued, and accounted for, which is crucial for financial reporting, compliance with regulations, and effective asset management.	300
Virtual Payment Card Activity	Utilizing data analytics, test sample virtual payment card transactions to detect non-compliant transactions or fraud.	300
Deferred Maintenance	Review the organizational structure and controls related to the administration of deferred maintenance to ensure the program is conducive to accomplishing business objectives. The scope will focus on project identification, prioritization, budgeting, funding allocation and monitoring.	400
Athletics Equipment Inventory	Review athletics equipment inventory controls to ensure jerseys, sports equipment, training equipment, field equipment, supplies, etc. by sport are probably accounted for and inventoried on an ongoing basis.	300
Information Security Management Program – School of Medicine	Verify compliance with University policies and the effectiveness of the School of Medicine's Information Security Management Program to ensure the protection of institutional information.	300
IS-12 Policy Compliance	Review the controls and processes in place for IS-12 (IT Recovery) compliance.	400
Medical and Hazardous Waste Disposal	Likely state mandated reviews due to $49 million settlement with Kaiser. Review for unlawful disposal of hazardous waste, medical waste, and protected health information.	300
Research Backup Policies and Procedures	Review the policies and procedures for backing up research data and the utilization of backup applications and systems.	300
Student Financial Aid Regulatory Compliance	Review financial aid policies and procedures to ensure compliance with federal regulations.	300
Title IX Clinical Chaperone Policy Implementation	Assess and validate the progress towards full implementation of chaperone policies, guidance and directives' core elements.	300
Research Security and Integrity Compliance	Utilizing a risk-based methodology, conduct sample-based reviews to reduce the risk of inaccurate disclosures of potential conflicts and foreign affiliations.	300
Veterans Affairs (VA) Billing Compliance	The review will focus on VA residency billing and related processes and controls.	300
Research Project Closeout Processes	Determine whether internal controls provide reasonable assurance that processes for closeout of sponsored research funds result in accurate and timely final financial/technical reporting and related deliverables to the agency.	400
Compliance with President's Cyber Letter (Systemwide)	A systemwide audit to evaluate compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans.	450

Planned Internal Audit Projects

UC IRVINE - ADVISORY SERVICES	SCOPE STATEMENT	HOURS
Travel and Entertainment Analytics (Systemwide)	A systemwide advisory services project to execute data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.	300
Data Analytics	Utilizing data analytics and analysis to identify unusual trends and investigate irregular transactions.	200
External Audit Coordination	Internal Audit Services (IAS) is responsible for the external audit coordination function. IAS guides departments through audits performed by outside entities and helps facilitate and expedite these reviews.	100
Operational Efficiency (Systemwide)	A systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures, and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.	300
Continuous Auditing - Corporate Card Transactions	Utilizing data analytics, test sample corporate card transactions to detect non-compliant transactions or fraud.	100
Campus and Medical Center Advisory Committees	Internal Audit Services serves on various advisory committees and provides input and advice on risks, accountability, and internal controls.	100
UC Health Litigation Cases	A systemwide process to collect and report on status updates for corrective actions for litigation settlements requiring Regental approval	150
	UC Irvine sub-total	5,900

UC LOS ANGELES - AUDITS	SCOPE STATEMENT	HOURS
Associated Students of UCLA (ASUCLA) - Bruin One Access Program Review	Audit & Advisory Services (A&AS) will review the related systems, procedures, and controls surrounding the Bruin One Access Program (subscription model) to ensure they are conducive to accomplishing ASUCLA and the University's business objectives.	300
ASUCLA - Liabilities Control Review	A&AS will evaluate the effectiveness of processes and controls to ensure short and long-term liabilities are properly recognized, classified, and reported within the ASUCLA financial statements.	250
ASUCLA - IT IS-3 Compliance Phase 2	A&AS will evaluate the adequacy and effectiveness of IT asset inventory management compliance with ASUCLA and University policies for student media, undergraduate association, and graduate association.	300
Capital Programs - Project Billing Controls Review	A&AS will evaluate the effectiveness of processes and internal controls in place around project billings for capital projects overseen by Capital Programs to ensure invoiced costs and fees adhere to the contractual arrangement and that invoices are processed in accordance with university policy (UC Facilities Manual).	450

Planned Internal Audit Projects

UC LOS ANGELES - AUDITS (CONT.)	SCOPE STATEMENT	HOURS
Facilities Management - Capital Project Controls Review	A&AS will evaluate the effectiveness of processes and internal controls in place around contract modifications and contractor payments for capital projects overseen by Facilities Management to ensure activities adhere to contractual arrangements and that contract modifications and invoices are processed in accordance with university policy (UC Facilities Manual).	450
Athletics Revenue Share Model Validation	A&AS will perform an independent validation of the revenue share allocation model to ensure accuracy, data integrity, and consistency with the agreed upon methodology.	300
Housing and Hospitality - Lake Arrowhead Lodge Operations Review	A&AS will evaluate the effectiveness of controls over financial and administrative areas at the Lake Arrowhead Lodge in accordance with university policy (e.g., financial management, revenue and cash management, procurement, inventory, IT).	500
Housing and Hospitality - Physical Security Access Review	A&AS will evaluate the effectiveness of processes and controls for managing building access security for students and employees to University housing and dining facilities.	500
School of Music - Financial and Administrative Controls Review	A&AS will conduct a Department-level review to assess the effectiveness of controls over financial and administrative areas in accordance with university policy (i.e., financial management, procurement, travel and entertainment, research administration, IT, gifts and restricted funds management).	700
Mechanical and Aerospace Department - Financial and Administrative Controls Review	A&AS will conduct a Department-level review to assess the effectiveness of controls over financial and administrative areas in accordance with university policy (i.e., financial management, procurement, travel and entertainment, research administration, IT, gifts and restricted funds management).	700
Field Research	A&AS will evaluate the effectiveness of processes and controls related to field research activities across the university to provide assurance that field research activities are conducted safely, travel is managed effectively, and expenditures are properly controlled, supporting the university's research objectives and compliance requirements.	500
Technology Development Group (TDG) - Incentive Plan	A&AS will perform a review of the TDG fiscal year 2024-25 incentive awards to verify the TDG organizational and departmental objective year-end results and associated achievement level reported were adequately supported and validate the incentive award amount for each eligible participant was accurately calculated by TDG.	300
Research Compliance Export Control Review	A&AS will evaluate the effectiveness of processes and controls in place for export control high-risk activities of concern, including but not limited to, travel, visiting scholars, and international shipping, to ensure ongoing adherence to university guidance and policies.	500

Planned Internal Audit Projects

UC LOS ANGELES - AUDITS (CONT.)	SCOPE STATEMENT	HOURS
Research Compliance Gifts Review	A&AS will evaluate the effectiveness of processes and controls in place for due diligence in evaluating whether gifts and grants are from a foreign source and whether activities in place promote ongoing adherence to university guidance and policies.	500
Third Party Risk Management Process Review	A&AS will assess the effectiveness of third-party governance, risk management, and control processes within campus for identifying, assessing, and mitigating IT-related risks throughout the third-party lifecycle and whether processes in place support the achievement of the university's objectives.	500
Financial Aid Cloud Environment Technology (FACET) Segregation of Duties Access Review	A&AS will assess the design and implementation of FACET access controls to ensure they effectively mitigate the risk of segregation of duties, thereby protecting the integrity and security of institutional data and processes.	500
Travel and Entertainment Expense Review	A&AS will evaluate the effectiveness of relevant internal controls by reviewing travel and entertainment expenses for compliance with applicable university policies and campus procedures.	300
Compliance with President's Cyber Letter (Systemwide)	A systemwide audit to evaluate compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans.	450
Charge Capture - West Valley – Emergency Department	A&AS will evaluate the adequacy and effectiveness of controls over charge capture and charge lag processes to ensure timely and accurate billing.	400
Charge Capture - West Valley – Burn Center	A&AS will evaluate the adequacy and effectiveness of controls over charge capture and charge lag processes to ensure timely and accurate billing.	400
CareConnect Configuration Management - Revenue Cycle	A&AS will evaluate the adequacy and effectiveness of IT change management processes and controls for handling revenue cycle configuration changes within CareConnect. The audit will focus on controls around the development, testing, and authorization of changes for deployment into production.	450
West Valley Hospital - Physical Security Access Review	A&AS will evaluate the effectiveness of processes and controls for managing building access security for employees at the West Valley Hospital and surrounding medical buildings.	400
Vulnerability Management	A&AS will assess the design and implementation effectiveness of vulnerability management controls in place to achieve the university's objectives. The scope will focus on areas not addressed during 2024-25 ECAS Cybersecurity Audit Team (CAT) review.	500

Planned Internal Audit Projects

UC LOS ANGELES - AUDITS (CONT.)	SCOPE STATEMENT	HOURS
Third Party Risk Management Process Review	A&AS will assess the effectiveness of third-party governance, risk management, and control processes in place within UCLA Health for identifying, assessing, and mitigating IT-related risks throughout the third-party lifecycle and whether processes in place support the achievement of the university's objectives.	500
No Surprises Act Review	A&AS will assess the effectiveness of processes and controls in place to support compliance with the No Surprises Act (good faith estimate).	500
Interventional Radiology (Palos Verdes) Review	A&AS will assess the effectiveness of internal controls around charge capture and clinical operations for Palos Verdes Imaging and Interventional Center.	700
Clinic - Encino Surgery & Specialty Care	A&AS will evaluate the effectiveness of controls over clinic financial and administrative areas in accordance with university policy (i.e., payment handling, revenue capture, Sexual Violence and Sexual Harassment (SVSH), controlled substance, drug samples, Health Insurance Portability and Accountability Act (HIPAA) compliance, Environmental Health & Safety (EH&S)).	400
Clinic - San Luis Obispo Primary & Specialty Care	A&AS will evaluate the effectiveness of controls over clinic financial and administrative areas in accordance with university policy (i.e., payment handling, revenue capture, SVSH, controlled substance, drug samples, HIPAA compliance, EH&S).	400
Clinic - Santa Barbara, Primary & Specialty Care	A&AS will evaluate the effectiveness of controls over clinic financial and administrative areas in accordance with university policy (i.e., payment handling, revenue capture, SVSH, controlled substance, drug samples, HIPAA compliance, EH&S).	400
Clinic - Woodland Hills Family Medicine, Internal Medicine & Pediatrics	A&AS will evaluate the effectiveness of controls over clinic financial and administrative areas in accordance with university policy (i.e., payment handling, revenue capture, SVSH, controlled substance, drug samples, HIPAA compliance, EH&S).	400
Department of Psychiatry - Financial and Administrative Controls Review	A&AS will conduct a Department-level review to assess the effectiveness of controls over financial and administrative areas in accordance with university policy (i.e., financial management, procurement, travel and entertainment, research administration, IT, gifts and restricted funds management).	1,000
Donated Body Program	A&AS will seek to identify and assess the design effectiveness of controls in place within the Donated Body Program to ensure adherence to the UC Policy - Anatomical Donation Program, including but not limited to, program governance, handling of donated bodies according to donor requirements/wishes, and security and custodianship of donated bodies.	400

Planned Internal Audit Projects

UC LOS ANGELES - AUDITS (CONT.)	SCOPE STATEMENT	HOURS
Department of Public Health: Center for Health Policy Research - Financial and Administrative Controls Review	A&AS will conduct a Department-level review to assess the effectiveness of controls over financial and administrative areas in accordance with university policy (i.e., financial management, procurement, travel and entertainment, research administration, IT, gifts and restricted funds management).	800
UC LOS ANGELES - ADVISORY SERVICES	**SCOPE STATEMENT**	**HOURS**
Student Affairs - Campus Life Financial Review Phase 1	A&AS will conduct a financial review of Campus Life departments to evaluate existing financial management practices for efficiency and improvement opportunities.	900
Business Finance Controls Advisory	A&AS will review the processes and internal controls in place to identify process improvements and opportunities to strengthen the overall control environment, supporting the achievement of the university's objectives.	350
Facilities Management - Cost Estimate Methodology Review	A&AS will review the Facilities Management methodology for developing rates and cost estimates for campus maintenance repairs and renovations.	250
Events & Transportation (E&T) Event Management Centralization Advisory	A&AS will provide advisory assistance to E&T around an initiative to establish a centralized process for managing and tracking campus-wide events.	300
Athletics Revenue Share Process Implementation Advisory	A&AS will provide advisory assistance to Athletics around the design of business processes and internal controls to be implemented in support of student athlete revenue share agreements following the House Settlement.	300
Associated Student Organization Commercial Services Benchmarking	A&AS will seek to benchmark with peer institutions the relationship between the associated student organization of UCLA and the university around commercial services provided to the university community.	300
Custom Developed Artificial Intelligence (AI) Technology Inventory	A&AS will conduct an inventory of custom developed AI technologies throughout campus.	300
Incident After Action Corrective Action Validation	A&AS will conduct a review of management corrective actions implemented in response to IT related incidents to validate effective implementation.	150
Travel and Entertainment Analytics (Systemwide)	A systemwide advisory services project to execute data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.	300

Planned Internal Audit Projects

UC LOS ANGELES - ADVISORY SERVICES (CONT.)	SCOPE STATEMENT	HOURS
Operational Efficiency (Systemwide)	A systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures, and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.	300
Campus Systems Pre-Implementation Advisory	A&AS will provide advisory assistance to campus departments/unit, upon request, for system implementations.	150
Health Science Enterprise Resource Planning (ERP) Workday Pre-Implementation Advisory	A&AS will provide advisory assistance for the health science Workday implementation.	350
UC Health Acquisitions (Systemwide)	A systemwide advisory services project to assess integration efforts for UC Health facility acquisitions, with a focus on policy and IT integration, and identify opportunities to enhance the acquisition playbook.	250
Enterprise Risk Management (ERM) Advisory	A&AS will provide advisory assistance in support of enterprise risk management activities.	150
Distributed Administrative Security System (DACSS) Workgroup	A&AS will participate in the DACSS Work Group.	100
University Identification (UID) Workgroup	A&AS will participate in the UID workgroup to review controls surrounding UID.	50
Internal Control Self-Assessment Questionnaires	A&AS to develop internal control self-assessment questionnaires for select administrative processes.	100
Litigation Settlement Corrective Action (LSCA) Follow-Up	A&AS to conduct follow-up with campus/health local Risk Management or corrective action owners implementation status.	150
	UC Los Angeles sub-total	20,400

Planned Internal Audit Projects

UC MERCED - AUDITS	SCOPE STATEMENT	HOURS
Award/Grant Close Out Audit	Review and test the new Project Portfolio Financial Management (PPFM) Award/Grant Close out process to ensure awards/grants are being closed out timely and accurately. The scope will include the post award process within the Sponsored Programs Office.	300
Compliance with President's Cyber Letter (Systemwide)	A systemwide audit to evaluate compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans.	300
UC MERCED - ADVISORY SERVICES	**SCOPE STATEMENT**	**HOURS**
Grad Fellowship Financial Aid Advisory Service	Review the process for payment of graduate fellowships ensuring it is administered timely and efficiently.	250
GAEL Insurance Advisory Service	Review the process for the calculation of the GAEL (General Liability, Automobile Program, Employment Practices Liability, and Property) Insurance assessment for accuracy and sufficiency.	250
National Collegiate Athletic Association (NCAA) Division II Compliance Advisory Service	Review major risks for the transition to Division II athletics and assess the level of compliance for UC Merced Athletics program.	300
Campus and Supervisor Training Advisory Service	Assess the process to determine what training is needed for all employees, the assignment of needed training, and follow up to ensure training is accomplished. Assess what should be included for annual supervisor training with regard to compliance.	250
Operational Efficiency (Systemwide)	A systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures, and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.	300
Travel and Entertainment Analytics (Systemwide)	A systemwide advisory services project to execute data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.	200
Monthly Data Analytics	Establish process for monthly review of campus analytics for risk monitoring.	20
Campus Committee Participation	Meet with multiple committees to gather information of the status of risks at the university and also raise the visibility of Internal Audit.	150
	UC Merced sub-total	2,320

Planned Internal Audit Projects

UC RIVERSIDE - AUDITS	SCOPE STATEMENT	HOURS
Agricultural Operations	Review of the internal controls over the purchase, handling and storage of pesticides and chemicals inventory. Evaluate compliance with various regulations and applicable UC policies and procedures.	300
University Vehicles (DMV Records/License Verification Process)	Review of the internal controls over university vehicles administration, Department of Motor Vehicle (DMV) records review and license verification process to ensure compliance with UC policies and regulatory requirements.	300
Research Award Administration	Review internal controls over post award spending, allowability, salary cost transfers and close out procedures.	450
Travel Expense Review	Review of university personnel travel expenses to ensure compliance with the University of California - Policy G-28.	400
Procurement Card Review	Review of the internal controls over procurement card purchase activity to ensure compliance with UC polices and procedures.	400
Leadership Transition Review	Placeholder for potential senior leadership reviews as requested.	400
Compliance with President's Cyber Letter (Systemwide)	A systemwide audit to evaluate compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans.	450
UC RIVERSIDE - ADVISORY SERVICES	**SCOPE STATEMENT**	**HOURS**
Operational Efficiency (Systemwide)	A systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures, and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.	300
Travel and Entertainment Analytics (Systemwide)	A systemwide advisory services project to execute data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.	300
Shared Services Centers	An advisory service project to review shared services centers operations focused on redundant and duplicate processes, UCPath access issues and potential cost savings.	400
	UC Riverside sub-total	3,700

Planned Internal Audit Projects

UC SANTA BARBARA - AUDITS	SCOPE STATEMENT	HOURS
Financial Management Modernization Program Post Implementation Review - Limited Scope	Audit and Advisory Services will perform a review to assess the successes and failures of the Financial Management Modernization Program after it has been implemented and make recommendations concerning the correction of any adverse issues found.	300
"Financial" Placeholder	We have reserved hours for coverage of a financial-related area or another area of interest to senior leadership.	270
Off-cycle Pay Payments	Audit and Advisory Services will perform data analysis and assess the review and approval process of off-cycle pay to ensure off-cycle pay is reasonable and in compliance with applicable university policies.	300
Implementation of IS-12 (Phase II)	Audit and Advisory Services will assess the implementation of selected IS-12 (IT Recovery) compliance areas. The implementation of IS-12 was divided into two phases. Phase I would be implemented during fiscal year 24-25 and it would define a framework of the areas required to be implemented by UC Policy IS-12. Phase II would perform detailed audit fieldwork of selected areas of the framework defined in phase I.	300
Endowment Fund Expenses - University Library	Audit and Advisory Services will assess the current use of gift funds, endowments, and funds functioning as endowments in the University Library. This includes determine related expenses are processed according to donor intent and University policies and procedures.	300
Internal Control Review – Electrical and Computing Engineering	Audit and Advisory Services will assess internal controls and procedures established by the department to ensure the implementation of best business practices that support operational effectiveness and efficiency, including compliance with university policies and regulations.	300
Compliance with President's Cyber Letter (Systemwide)	A systemwide audit to evaluate compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans.	350
Section 117 Foreign Gift and Contract Reporting	Audit and Advisory Services will assess the internal controls and the processes to oversee the completeness and accuracy of foreign gifts and contracts reporting and compliance with Section 117 requirements.	300
UCSB Benefits for Non-full-time Employees	Audit and Advisory Services will assess whether controls are in place to track employee eligibility benefits as defined in the policy. This should also include determining whether full-time employees who reduce their work hours to the point they are not eligible for full benefits would continue receiving 100% benefits.	300

Planned Internal Audit Projects

UC SANTA BARBARA - AUDITS (CONT.)	SCOPE STATEMENT	HOURS
Emergency Management	Audit and Advisory Services will assess whether roles and responsibilities are appropriate to identify and assess risks effectively and whether the current campus safety plan, procedures, and practices are effective and consistent with university policies to: - Respond and deal with protests and interruptions. - Declare an emergency to shut down the campus. - Other related areas	300
UC SANTA BARBARA - ADVISORY SERVICES	**SCOPE STATEMENT**	**HOURS**
Travel and Entertainment Analytics (Systemwide)	A systemwide advisory services project to execute data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.	350
Compliance Function	Audit and Advisory Services will assess the compliance function at UCSB. The purpose is to evaluate the consistency of the function in a decentralized model and to identify potential gaps or inefficiencies. The scope of this assessment could include a benchmark comparing different UC campuses.	300
Operational Efficiency (Systemwide)	A systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures, and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.	350
Data Analytics Program - Development and Collaboration	We have set aside hours for training and other activities for the development of our data analytics program, including possible collaboration with Business & Financial Services.	300
Outreach, Training, and Presentations	We will continue our Ethics and Fraud presentation series as part of the Controller's Financial Management Certificate Program, Sponsored Projects Training for Administrators in Research (STAR), Personnel Payroll System (PPS) Basics classes, and other programs.	280
	UC Santa Barbara sub-total	4,600

Planned Internal Audit Projects

UC SANTA CRUZ - AUDITS	SCOPE STATEMENT	HOURS
Compliance with President's Cyber Letter (Systemwide)	A systemwide audit to evaluate compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans.	400
Daily Crime Log	To evaluate the efficiency and effectiveness of internal controls in place to ensure that daily crime logs are accurate and complete, that crimes are properly classified, and that entries are added in a timely manner. Additionally, to identify any areas of risk, such as gaps or duplications in reporting, insufficient staff awareness and training, or inadequate record keeping.	200
Student Accommodations	To evaluate the efficiency and effectiveness of internal controls to ensure reasonable student accommodations provide equal access to education and campus life, including digital accessibility. Additionally, to evaluate adherence to policies, procedures, and state and federal regulations.	400
Procurement Card (ProCard) Audit	To evaluate the efficiency and effectiveness of internal controls to ensure compliance with policies and procedures. To identify any areas of risk, such as unauthorized, excessive, or non-compliant purchases. To ensure adherence with documentation and record-keeping requirements.	400
UC SANTA CRUZ - ADVISORY SERVICES	**SCOPE STATEMENT**	**HOURS**
Operational Efficiency (Systemwide)	A systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures, and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.	350
Travel and Entertainment Analytics (Systemwide)	A systemwide advisory services project to execute data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.	350
Legal Review	An advisory service request at the direction of General Counsel to review units and programs for legal compliance conducted under attorney-client privilege.	350
External Audit Liaison	Hours reserved to facilitate coordination of external audit activities.	50
Campus Committee Participation	To participate in an advisory role in committee meetings across campus.	50
	UC Santa Cruz sub-total	2,550

Planned Internal Audit Projects

UC SAN DIEGO - AUDITS	SCOPE STATEMENT	HOURS
Oracle Financial Cloud (OFC) Status Update	The objective will be to evaluate the status of OFC post-implementation issue resolution, optimization efforts, and any remaining financial risk. The review will identify any remaining implementation risks and may also include a detailed analysis of unresolved items, including remediation tracking, timelines, and the root causes of any delays.	500
Financial Operations - Accounts Receivable	The purpose of this review is to evaluate whether internal controls for Accounts Receivable provide reasonable assurance that operations are effective and efficient, financial information is accurately reported, and activities comply with applicable policies and procedures.	550
Award Financial Closeout in Oracle	The purpose of this review will be to determine whether internal controls provide reasonable assurance that processes for closeout of awards result in accurate and timely reporting to the agency, which is appropriately supported by documentation.	500
Academic Affairs Deficit Management	The objective of this audit will be to evaluate Academic Affairs practices for deficit monitoring to determine whether controls provide reasonable assurances that deficits are accurately quantified and that appropriate mitigation strategies exist.	450
Compliance with President's Cyber Letter (Systemwide)	A systemwide audit to evaluate compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans.	450
Price Transparency Rule & No Surprises Act Compliance	The objective of this review is to assess whether internal controls for the Price Transparency Rule and No Surprises Act requirements for UC San Diego Health services and procedures provide reasonable assurance of compliance with these requirements.	500
Health Conflict of Interest	The purpose of this review will be to evaluate controls and processes related to conflict of interest reporting across health sciences, including UCSD Health, to determine whether disclosure processes provide reasonable assurance that potential conflict situations are appropriately identified and managed.	500
Purchased Services / Contracted Labor	The purpose of this review will be to evaluate processes for managing temporary labor, ensuring compliance with University policy, and evaluating effective use of resources.	500
Department of Medicine - Sponsored Research Administration	The objective of this review is to evaluate whether internal controls for Department of Medicine sponsored research administration provide reasonable assurance that operations are effective, in compliance with University policy and sponsored research regulations as applicable, and result in accurate financial reporting.	500

Planned Internal Audit Projects

UC SAN DIEGO - ADVISORY SERVICES	SCOPE STATEMENT	HOURS
Deficit Monitoring Analytics	The purpose of this review will be to develop ongoing deficit monitoring analytics that support Executive leadership to track the status of deficits across campus and track the status of management's remediation plans.	400
Academic Affairs Administrative Reorganization	The purpose of this project will be to review, from an advisory perspective, plans for reorganization in Academic Affairs, to provide input on impacts to internal controls, and authority and accountability for department and division operations.	250
Student Information System (SIS)	The purpose of this review will be to evaluate, from an advisory perspective, the planning efforts of the campus SIS implementation, with a focus on project planning and budget. AMAS advisory work was initiated in FY25 and will continue into FY26.	250
Human Resources Process Timelines	The purpose of this project will be to review, from an advisory perspective, timelines for certain Human Resources functions to understand the portions of processes that are the responsibility of departments vs. central Human Resources, and to analyze opportunities to increase turnaround time in selected areas and provide input.	250
Business Intelligence	The objective of this review is to evaluate, from an advisory perspective, the campus Business Intelligence (BI) environment and identify opportunities for improvement to increase effectiveness and support strategic decision-making.	300
Emergency Management Plans	The objective of this review will be to evaluate, from an advisory perspective, the status of emergency preparedness planning activities and compliance with University policy.	300
Operational Efficiency (Systemwide)	A systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures, and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.	300
Travel and Entertainment Analytics (Systemwide)	A systemwide advisory services project to execute data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.	300
Health Office of Compliance & Privacy Process Improvements (OCP) External Review Process Improvements	The purpose of this review will be to evaluate, from an advisory perspective, external review recommendations, and the extent to which these recommendations have been implemented and/or considered.	250
	UC San Diego sub-total	7,050

Planned Internal Audit Projects

UC SAN FRANCISCO - AUDITS	SCOPE STATEMENT	HOURS
School(s) Departmental Review	Review administrative and financial practices in selected School of Medicine departments to assess their compliance with University policies.	300
Vendor Contract Compliance/Contractor Overtime	Assess processes and controls for tracking and review of contractor overtime.	300
National Institutes of Health (NIH) Other Support	Validate that the corrective actions taken to date to address instances of non-compliance with NIH Other Support have been implemented.	300
Contact Center – Registration	Assess processes and controls in place for appropriate registration of patients at the Contact Center.	300
Compliance with President's Cyber Letter (Systemwide)	A systemwide audit to evaluate compliance with the cybersecurity requirements outlined in President Drake's February 2024 letter on cybersecurity investment plans.	450
Chancellor Expenses (G-45) (Systemwide)	Review annual Chancellor expense reports to ensure that they have been prepared, reviewed, and submitted in accordance with policy.	200
Annual Report on Executive Compensation (AREC) (Systemwide)	Verify the accuracy, completeness, and timely preparation of the Annual Report on Executive Compensation.	200
Construction Projects	Review construction project invoiced costs and fees to ensure compliance with contract agreement.	300
MyTime/Ultimate Kronos Group (UKG) Post-Implementation	Evaluate the effectiveness and compliance of the newly implemented payroll system with wage and hour rules.	300
UC SAN FRANCISCO - ADVISORY SERVICES	**SCOPE STATEMENT**	**HOURS**
Research Administration and Compliance Systems (Huron)	Advise on internal controls, policy compliance and project management and governance related to the research administration and compliance system implementation.	300
Operational Efficiency (Systemwide)	A systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures, and leveraging technology. Recommendations for improvement will be informed by Internal Audit's assessment of risk. Specific scope areas will be determined in engagement planning.	300
ERP/Project One Pre-System Implementation Advisory – Separation of Duties	Provide advice on internal controls, policy compliance and project management and governance for the new Enterprise Resource Planning (ERP) system assessment and implementation.	200

Planned Internal Audit Projects

UC SAN FRANCISCO - ADVISORY SERVICES (CONT.)	SCOPE STATEMENT	HOURS
ERP/Project One Pre-System Implementation Advisory – Data Conversion	Provide advice on internal controls, policy compliance and project management and governance for the new Enterprise Resource Planning (ERP) system assessment and implementation.	200
ERP/Project One Pre-System Implementation Advisory – Access Controls	Provide advice on internal controls, policy compliance and project management and governance for the new ERP system assessment and implementation.	250
ERP/Project One Pre-System Implementation Advisory – Business Process Changes/Design	Provide advice on internal controls, policy compliance and project management and governance for the new ERP system assessment and implementation.	250
Travel and Entertainment Analytics (Systemwide)	A systemwide advisory services project to execute data analytics procedures for travel and entertainment expenses. These analytics will be designed to assist management in monitoring for policy compliance and identifying potential cost savings.	300
Fraud Risk/Data Analysis Program	Continue performing enterprise-wide data analytics and enhancing fraud risk assessment and analysis to identify high risk areas for fraud and assist departments to design and implement control activities to prevent and detect fraud.	500
Fraud Awareness Training	Continue education and training to raise fraud risk awareness throughout the organization.	300
No Charge Coding	Analyze use of no-charge codes for services at UCSF Health to identify potential trends and opportunities for improvement.	300
Chaperone Program	Assess the progress towards full implementation of chaperone policies.	300
Financial and Compliance Dashboard	Continue with optimization of the dashboard.	300
	UC San Francisco sub-total	6,150
	TOTAL AUDIT AND ADVISORY SERVICE PROJECT HOURS	**77,570**