



The University of California



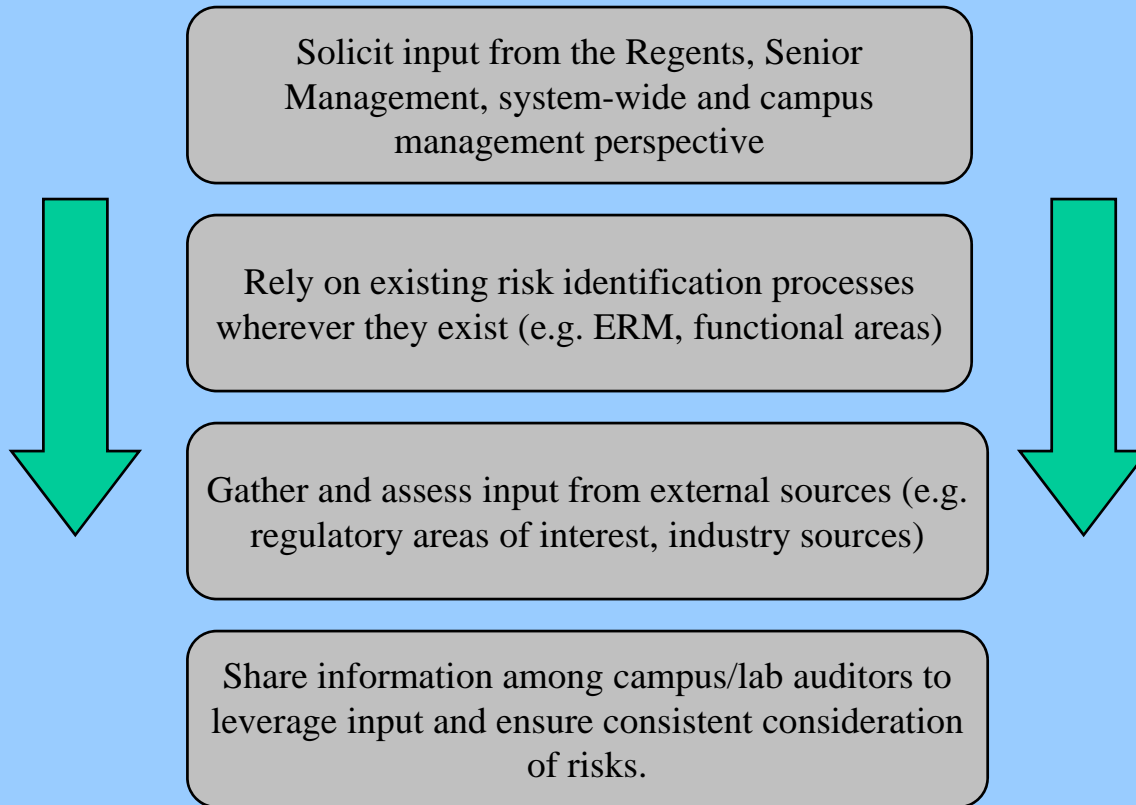
INTERNAL AUDIT PLAN

FY 2009 - 2010

INTERNAL AUDIT PLAN OBJECTIVES

- Address the University's significant financial, operational and compliance risks;
- Leverage existing efforts by others to identify, evaluate and mitigate risks;
- Support management's restructuring and budget coping strategies;
- Serve the needs of campus/lab leadership while addressing broader issues from a systemwide perspective;
- Support the evolution of the Systemwide Compliance Program; and
- Meet the challenge to enhance the value of the Internal Audit Program.

AUDIT PLAN DEVELOPMENT Risk Assessment Process for 2009-10



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.

HIGH LEVEL VIEW OF KEY AUDIT RISKS AREAS

Financial

- Compensation
- Construction
- Account Reconciliations
- Extramural Funds Accounting
- Charge Capture (hospital)
- Billing and Coding (hospital)
- Physician Billings
- Investments
- Segregation of Duties
- Cash Handling

Operational

- IT Security
- Business Continuity
- Data Center Operations
- Business Contracts
- Third Party Relationships
- Disaster Recovery Plans
- Contracts & Grant Administration
- International Activities
- Facilities Administration

Compliance

- Research – Effort Reporting
- Conflicts of Interest/commitment
- Compensation
- Health Sciences
- HIPAA/Privacy
- EH&S/Lab Safety
- ARRA – Stimulus monies and related compliance
- Development areas/commitment of monies

Note: Issues are inter-related across these risk types. The above categorization is not meant to be exclusive.

2009-10 PLANNED SYSTEMWIDE AUDIT AREAS

AREA	SCOPE	PROJECTED TIMING
Compensation	Executive Compensation Policies- Implementation & Effectiveness of new systemwide policies and a review of Annual Report on Executive Compensation.	3rd Quarter
Cost Transfers	A systemwide audit program will be developed to determine compliance with cost transfer requirements in including University and campus policies.	1st Quarter
Chancellor Expenses	Evaluation of accuracy and completeness of Chancellor expenses, including travel and entertainment, and housing.	3rd Quarter
Health Science Vendor Policy	Assessment of the campus implementation of and compliance with the Healthcare Vendor Relations Policy.	1st Quarter
Billing and Coding*	Review of coding area in AMC's and associated billing	4th Quarter
Effort Reporting*	Identify appropriate processes for reconciling time and effort are in place	2nd Quarter
HIPAA Compliance*	Review appropriate processes are in place at 2 AMC's to assure protection of PHI	4th Quarter
ARRA- Stimulus Package*	Monitor compliance requirements	3rd Quarter

**Represent systemwide compliance reviews that will be coordinated by UCOP ECAS and may be outsourced.*

HIGHLIGHTS OF THE CONSOLIDATED AUDIT PLANS

Personnel:

Authorized staff level	115 FTE's
Avg. Staff Level	106 FTE's

Distribution of Planned Activities :

By Audit Activity Type (hours/%):

<i>Audits</i>	98,909	64%
<i>Advisory Services</i>	33,000	22%
<i>Investigations</i>	<u>22,239</u>	<u>14%</u>
	154,148	100%

By University area:

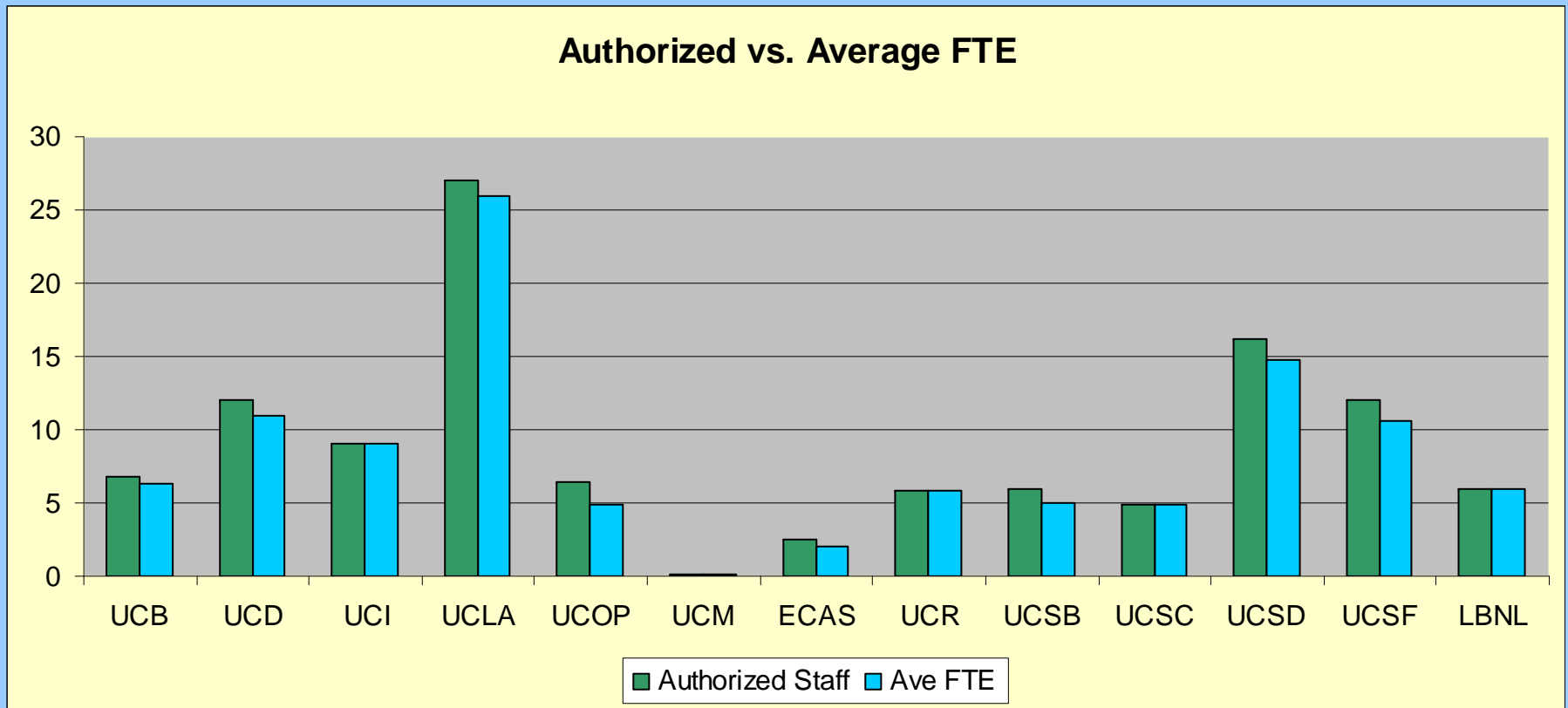
<i>Campus*</i>	71%
<i>Health Sciences</i>	24%
<i>Labs</i>	<u>5%</u>

* Includes ANR, UCOP and UC Merced 100%

FTE Campus Metrics

	UCB	UCD	UCI	UCLA	UCOP	UCM	ECAS	UCR	UCSB	UCSC	UCSD	UCSF	LBNL	Total
Authorized Staff	6.75	12	9	27	6.37	0.13	2.5	5.85	6	4.9	16.2	12	6	114.7
Ave FTE	6.26	11	9	25.91	4.87	0.13	2	5.85	5	4.9	14.71	10.55	6	106.18
2008 Revenue*	1,877,123	3,772,086	2,219,755	5,423,620	n/a	101,469	n/a	494,015	745,985	513,511	3,271,302	4,617,055	580,000	

Authorized vs. Average FTE



*In thousands of dollars; UCD,UCLA, UCI, UCSD and UCSF include medical centers.

HIGHLIGHTS OF THE CONSOLIDATED AUDIT PLANS

- The Plan contains over 8,500 hours to continue the emphasis on audit follow-up on corrective actions;
- The Plan affords flexibility with nearly 16,000 hours provided for audit topics to be determined based on emerging local or systemwide priorities;
- The Plan provides for an increase in Advisory Service hours to be able to assist management in addressing internal control issues in a restructured and budget constrained environment;
- Approximately 4,000 hours are budgeted to support the Compliance Program as monitoring activities are still evolving in certain compliance areas; and
- The budgeted hours for investigations is comparable to the previous years budget, reflecting the movement to reduce audit involvement in investigations that are appropriately handled by management.

Available Resources	FY10 Plan		3/31/09 Annualized	
	Hours	Percent	Hours	Percent
Weighted Average FTE	106		100	
Personnel Hours	221,664	97.0%	208,889	98.4%
Other Resource Hours	<u>6,823</u>	<u>3.0%</u>	<u>3,435</u>	<u>1.6%</u>
Gross Available Hours	228,487	100.0%	212,324	100.0%
Less: Non-Controllable Hours	36,511	16.0%	37,327	17.6%
Less: Admin/Training	<u>26,773</u>	<u>11.7%</u>	<u>27,341</u>	<u>12.9%</u>
Total Direct Hours	<u>165,203</u>	<u>72.3%</u>	<u>147,656</u>	<u>69.5%</u>

Available Resources

The table to the left depicts the staffing level assumed in the Plans and quantifies the human resources available to assign to audit activities. Total hours are reduced for non-controllable hours (vacation, holiday and illness per University policy) and for program administration and training.

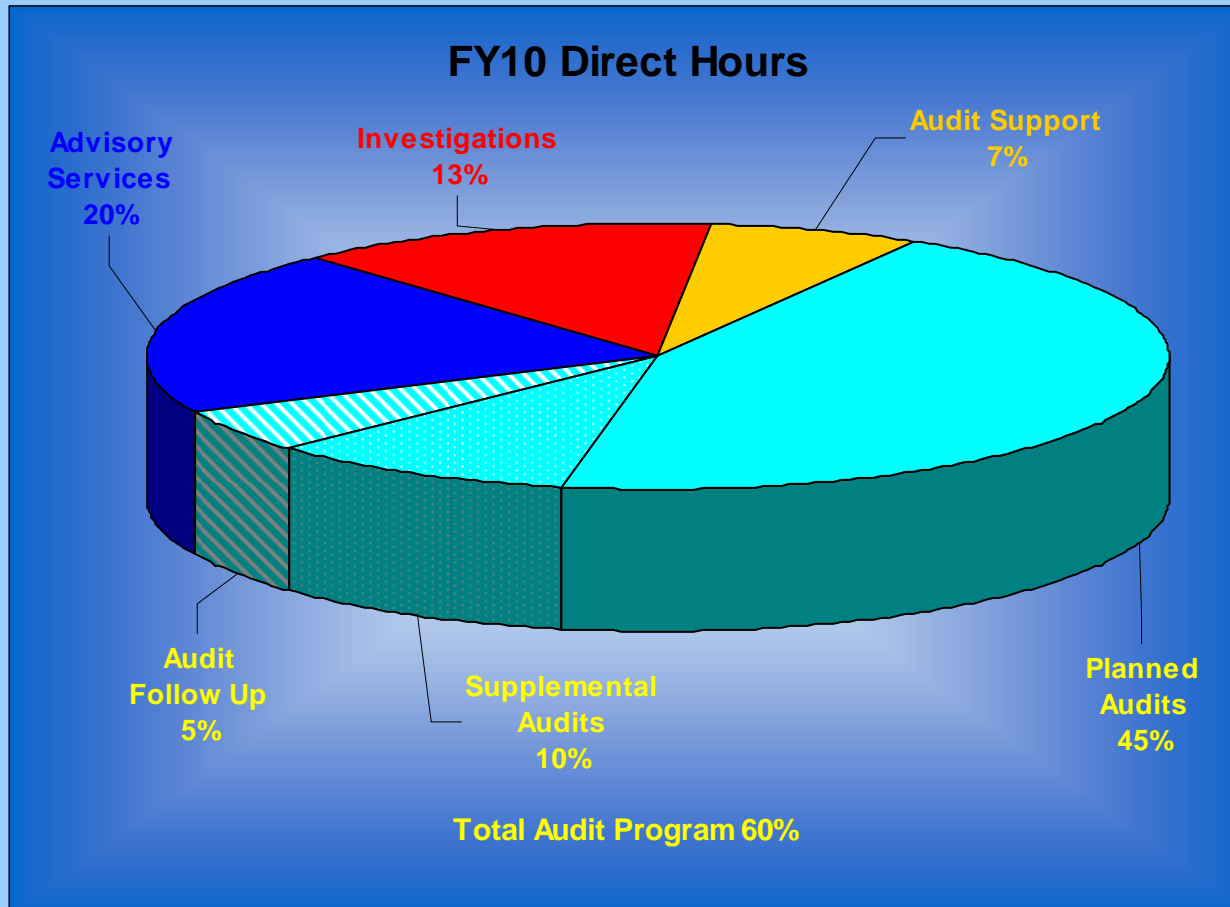
Resource Allocation	FY10 Plan		3/31/09 Annualized	
	Hours	Percent	Hours	Percent
Audit Program				
Planned Audits* (283 projects)	74,100	44.9%	68,155	46.2%
Supplemental Audits	16,184	9.8%	10,134	6.9%
Audit Follow Up	<u>8,625</u>	<u>5.2%</u>	<u>9,651</u>	<u>6.5%</u>
Total Audit Program	98,909	59.9%	87,940	59.6%
Advisory Services				
Planned Projects* (73 projects)	11,420	6.9%	n/a	n/a
Supplemental Hours	<u>21,580</u>	<u>13.1%</u>	<u>n/a</u>	<u>n/a</u>
Total Advisory Services	33,000	20.0%	28,040	19.0%
Investigations	22,239	13.5%	21,028	14.2%
Audit Support Activities	<u>11,055</u>	<u>6.7%</u>	<u>10,648</u>	<u>7.2%</u>
Total Direct Audit Hours	<u>165,203</u>	<u>100.0%</u>	<u>147,656</u>	<u>100.0%</u>

Resource Allocation

The table to the left displays the deployment of the Available Resources among our activities by type (audit, advisory services and investigations). While the mix over time tends to shift somewhat between Investigations and Advisory Services, the commitment of the majority of our efforts to a substantial program of regular audits remains evident.

*Total Hours for Planned Projects = 85,520 (see Planned Projects at Appendix 1)

The chart below depicts the direct audit coverage of our FY10 plan. It demonstrates that our main emphasis is centered on planned audits and supplemental audit projects that arise during the year – while focusing effort on advisory service projects and investigations. (refer to the next page for the specific detail of the direct areas).



Distribution of Direct Hours

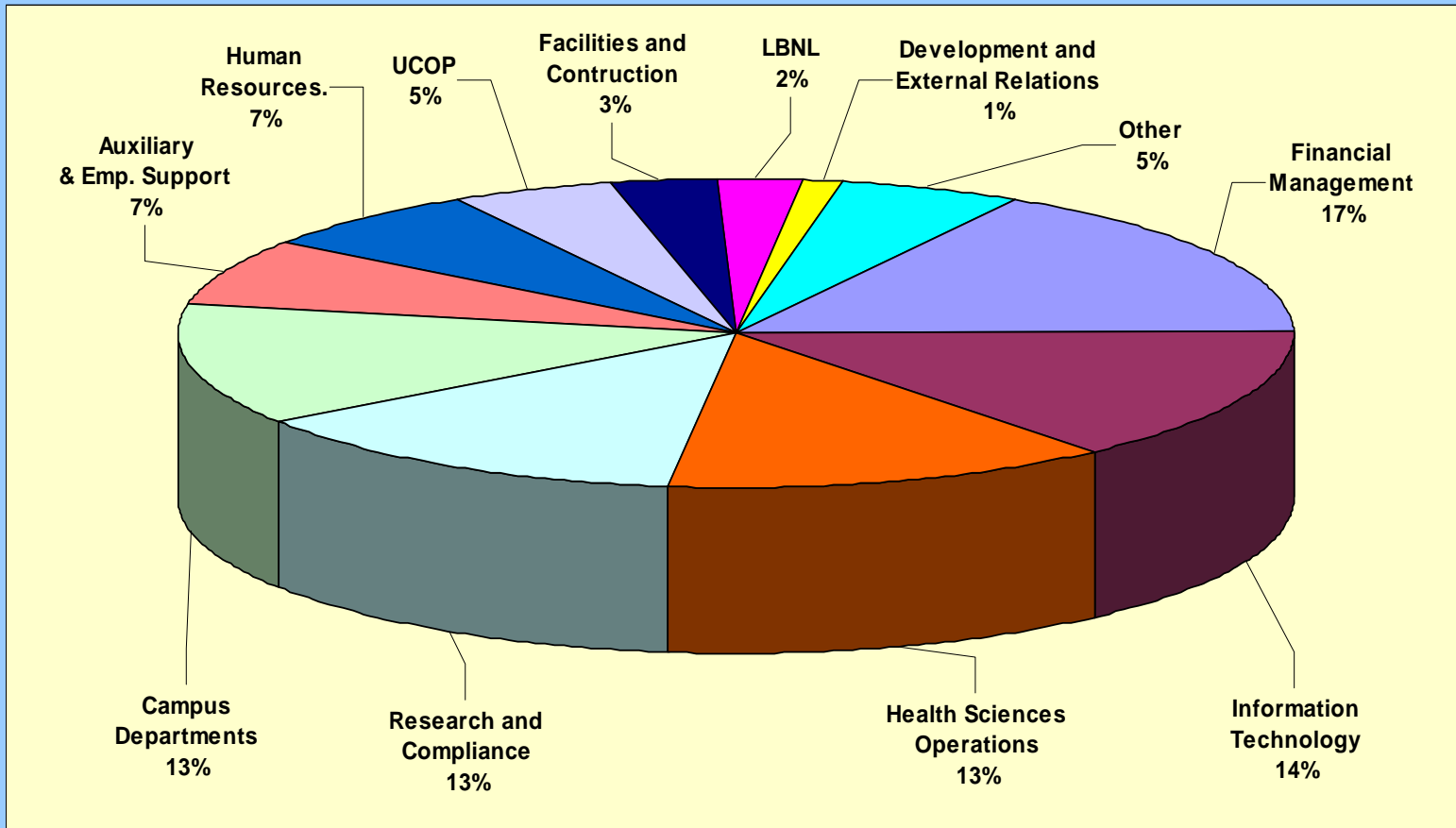
DISTRIBUTION OF AVAILABLE HOURS

	FY10		3/31/2009	
	Plan	Percent	Annualized	Percent
INDIRECT HOURS				
Administration	16,510	8.6%	17,355	9.9%
Professional Development	9,122	4.8%	8,400	4.8%
Other	1,141	0.6%	1,586	0.9%
Total Indirect Hours	26,773	14.0%	27,341	15.6%
DIRECT HOURS				
Audit Program				
Planned Audits	74,100	38.6%	68,155	38.9%
Supplemental Audits	16,184	8.4%	10,134	5.8%
Follow Up Audits	8,625	4.5%	9,651	5.5%
Total Audit Program	98,909	51.5%	87,940	50.2%
Advisory Services				
Consultations/Special Projects	15,005	7.8%	18,697	10.7%
Systems Dev., Reengineering Teams	6,183	3.2%	2,020	1.2%
Internal Control & Accountability	3,488	1.8%	2,143	1.2%
External Audit Coordination	4,004	2.1%	4,530	2.6%
Compliance Support	3,812	2.0%	437	0.3%
IPA, COI & Other	508	0.3%	213	0.1%
Total Advisory Services	33,000	17.2%	28,040	16.1%
Investigations	22,239	11.6%	21,028	12.0%
Audit Support Activities				
Audit Planning	2,816	1.4%	2,987	1.7%
Audit Committee Support	1,563	0.8%	1,064	0.6%
Systemwide Audit Support	3,406	1.8%	4,641	2.7%
Computer Support	1,314	0.7%	1,273	0.7%
Quality Assurance	1,956	1.0%	683	0.4%
Total Audit Support	11,055	5.7%	10,648	6.1%
Total Direct Hours	165,203	86.0%	147,656	84.4%
TOTAL AVAILABLE HOURS	191,976	100.0%	174,997	100.0%

Distribution of Available Hours

The table to the left provides a more detailed breakdown of planned time as a basis for ongoing accountability. From this detail the continuing commitment to timely audit follow-up is displayed by the plan to invest over 8,500 hours and the category of Compliance Support is intended to facilitate our efforts to integrate the Compliance and Audit Programs into joint efforts, some of which are yet to be determined.

The chart below depicts audit coverage across the University organizationally. It demonstrates breadth of coverage while indicating that major business processes, Research & Compliance activities, Health Sciences operations, campus academic departments and information technology collectively command nearly 75% of our effort.



Distribution of Planned Projects

Appendix 1 – List of Audit and Advisory Service Projects

Appendix 1 lists all the planned audit and advisory service projects at each location - the progress and status of these projects are reported quarterly.

Lawrence Berkeley National Laboratory (6 FTE) – AUDITS	Budget	Est. Completion Qtr
Cost Allowability Clauses	650	Q3
Effort and Time Reporting	500	Q2
Backup and Recovery Planning	400	Q3
Transparency and Oversight over Recovery Act Funds	500	Q1
Exec Compensation & Benefits and Policies	350	Q2
Cost Transfers	350	Q1
Work for Others / Sponsored Projects	350	Q4
Lawrence Berkeley National Laboratory – Advisory Services		
Business Process Review - Environmental Energy Technologies Division	600	Q2
Business Process Review - Life Sciences Division	600	Q3
Total Planned Hours - LBNL	4,300	

Appendix 1 – List of Audit and Advisory Service Projects

UC Berkeley (6.26 FTE) – AUDITS	Budget	Est. Completion Qtr
IT Project Management	400	Q2
Human Resources Non-voluntary Separation Practices	240	Q2
Subaward Monitoring and Acceptance of High Sub-awardees	270	Q3
Business Contracts Compliance	240	Q2
Executive Education Programs – Sustainable Business Models	160	Q4
Sponsored Projects Close-out	240	Q3
Cost Sharing	240	Q3
Departmental Deficits	200	Q3
Sole Sourcing	130	Q4
Recharge Activities	160	Q4
Construction - Restart Penalties/Contractor Loans Off-the-Books	60	Q1
Fraud Detection CAATs	120	Q3
Stimulus (ARRA) Fund Reporting	160	Q2
Commercial Enterprises – Unrelated Business Income	200	Q1
Risk Identification and Mitigating Strategies for Controversial Research and Capital Projects	121	Q4
Senior Management Group Policy Compliance (system)	200	Q2
Health Care Vendor Policy	80	Q1
Associated Students of the University of California Auxiliary	200	Q2

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC Berkeley – AUDITS	Budget	Est. Completion Qtr
IT Planning and Organization	50	Q1
IT Security	50	Q1
Private Gift Stewardship	50	Q1
Experiential Learning	50	Q1
BP Contract Management	50	
UC Berkeley – Advisory Services		
Annual Report on Executive Compensation Review	50	Q3
G 45 Reporting Review	50	Q3
Chancellor's Travel and Entertainment Expense Review	50	Q3
IT Self Assessment Tool Development	120	Q4
Total Planned Hours – UCB	3,941	

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC Davis (11 FTE)– AUDITS	Budget	Est. Completion Qtr
Research Management & Oversight	150	Q1
Department Review - Intercollegiate Athletics	250	Q2
UCDHS Perimeter Security Assessment	45	Q1
Department Review - Orthopedics	210	Q2
Cost Transfers	315	Q1
SMG Compensation Policies	210	Q2
Chancellor's Expenses - BFB G-45	125	Q3
Annual Report on Executive Compensation (AREC)	85	Q3
Cashiering	420	Q4
Export Controls	365	Q4
Department Review - Plant Science	365	Q4
Cyber Safety Review - University Extension	375	Q3
Cyber Safety Review - Department of Chemistry	215	Q4
Registration Fees	215	Q4
Pricing Hospital Services	420	Q1
Overtime	315	Q1
Clinical Trials	420	Q2
Purchasing	425	Q2

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC Davis – AUDITS	Budget	Est. Completion Qtr
Equipment Leases	370	Q3
Transplant Services	335	Q3
Radiology Charge Capture	315	Q3
Electronic Matching of Hospital & Physician Service Charges	370	Q4
Department Review	320	Q4
Payroll Costs for Admin Staff Charged to Federal Awards	315	Q4
Control & Management of Privileged Access Accounts	375	Q2
Business Associates Agreements	215	Q3
Wireless Networks	430	Q4
UC Davis – Advisory Services		
Veterinary Medicine Central Stores	340	Q4
Supply Chain - Exchange Carts	210	Q4
ICS Inventory Management	215	Q4
Principal Investigator Training	45	Q4
Staff Development Course - How to Survive an Audit	28	Q2
Facilities Compliance (Hospital)	20	Q4
Technology Infrastructure Forum	60	Q4
Identity Management Architecture Implementation Review	80	Q2

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List of Audit and Advisory Service Projects**

UC Davis – Advisory Services	Budget	Est. Completion Qtr
ACL Analytics Support	105	Q4
ACL Development Project	210	Q4
ACL Foundation	270	Q4
ACL Routines	270	Q4
Total Planned Hours – UCD	9,823	

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC Irvine (9 FTE) – AUDITS	Budget	Est. Completion Qtr
Housing	150	Q1
Communications Office	100	Q1
Contracts and Grants: A-21 Compliance	100	Q1
Payroll Processing	50	Q1
UCIMC - Emergency Department	50	Q1
Professional Fee Billing Group	200	Q1
IT - Physician Billing Group (PBG)	150	Q1
Systemwide - Vendor Policy	150	Q1
IT - Logical Security	300	Q1
Athletics - NCAA Compliance	300	Q2
School of the Arts	400	Q2
IT - Physical Security	300	Q2
Export Controls	300	Q3
Systemwide - AREC	50	Q3
Systemwide - Chancellor's T & E	50	Q3
Systemwide - Chancellor's Housing	50	Q3
Cashiering	400	Q4
Financial Aid	400	Q4

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC Irvine – AUDITS	Budget	Est. Completion Qtr
CALIT (Business Processes)	300	Q4
Conflict of Interest	300	Q4
UCIMC Equipment Maintenance	200	Q1
UCIMC - Clinical Trial Billing	300	Q2
IT - UCIMC Data Center	300	Q4
New Hospital Security	250	Q4
SOM - Psychiatry & Human Behavior	300	Q4
SOM - Pathology	300	Q4
Systemwide - Cost Transfers	300	Q1
Systemwide - SMG Compensation Policy Review	200	Q2
Total Planned Hours – UCI	6,250	

**Appendix 1 –
List of Audit and Advisory Service Projects**

UCLA (25.91 FTE) – AUDITS	Budget	Est. Completion Qtr
Health Sciences	800	Q1
Store – Supply Division	320	TBD
Store – LuValle Commons Division	220	Q2
Restaurants – Special Events Division	260	TBD
Student Support/Student Union Services Division	220	Q1
Publications Accounting	220	Q1
Cash Count/Monitoring	110	TBD
Design, Landscape, and Project Management – Materials & Equipment	300	Q1
General Operations; Energy Services/Utilities	300	TBD
Work Order Review	320	TBD
Maintenance	400	TBD
Wilshire Center Operations	280	Q2
Mail, Document & Distribution Services Recharge and Postage Inventory	350	Q1
Personnel/Payroll	220	TBD
Dining Services Personnel/Payroll	220	TBD
On-Campus Housing Personnel/Payroll	220	Q2
On-Campus Housing Maintenance Shop	250	Q2
Vending Procurement and Inventory	250	TBD

**Appendix 1 –
List of Audit and Advisory Service Projects**

UCLA – AUDITS	Budget	Est. Completion Qtr
UCLA Catering	250	Q2
UA Major Maintenance Reserve	250	TBD
Central Ticket Office Recharges	250	TBD
Property and Evidence	250	TBD
Personnel/Payroll	250	TBD
Cash Count/Other Miscellaneous	100	Q2
Parking Permit Inventory	170	Q2
Cashier’s Office/Meter Collection	380	TBD
Parking Recharge Activity	240	Q1
Fleet & Transit Equipment Management/Shop Operations	400	TBD
Fleet Services - TBD	300	TBD
Academic Dept. Reviews - Multiple	2800	TBD
Safety Programs-EHS	300	TBD
Athletics	300	TBD
Foundation 08-09	320	Q1
Executive Compensation & Benefits – SMG Compensation	150	Q3
Implementation of SMG Policies – Ethics	200	Q2
Contract & Grant Compliance – Cost Transfers	300	TBD

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UCLA – AUDITS	Budget	Est. Completion Qtr
Construction-Soft Costs	400	TBD
IT-Operations	300	TBD
Enterprise Security	300	Q2
Disaster Recovery	300	TBD
Chancellor’s Travel & Entertainment	165	Q3
Registration Fees	300	TBD
Radiation Safety - RRUMC & SMH	500	Q2
Registry Services - RRUMC & SMH	600	Q2
Major Supplies Management - SMH O.R.	350	Q2
Morgue (RRUMC and/or SMH)	550	TBD
Security Services (RRUMC & SMH)	600	TBD
Courier Services (RRUMC buys from MDDS; SMH self-manages)	300	Q1
IT-Operations	300	TBD
Enterprise Security	300	Q2
Disaster Recovery	300	TBD
Managed Care Contracting - capitated plans	500	TBD
Neuropsychiatric Hospital Clinics	600	TBD
Primary Care Clinics	600	TBD

**Appendix 1 –
List of Audit and Advisory Service Projects**

UCLA – AUDITS	Budget	Est. Completion Qtr
Clinic Operations	500	Q2
Residency Program ACGME Duty Hours Compliance	400	TBD
UCLA – Advisory Services		
Health Sciences-Transplant Services	1,000	
Total Planned Hours – UCLA	21,635	

**Appendix 1 –
List of Audit and Advisory Service Projects**

UCOP (4.87 FTE) – AUDITS	Budget	Est. Completion Qtr
Time and Effort Reporting	250	Q3
SMG Policies	200	Q2
Cost Transfers	300	Q1
Stimulus Package Compliance	150	Q3
Other Post Retirement Benefits/Heath Insurance	250	Q4
UCRS-Accounting for Beneficiary Payments and Investment Returns	200	Q3
Systemwide Budget Office Registration Fees	300	Q2
Technology Transfer/Patent Royalties	150	All
Guaranteed Admissions Verification Review	300	Q1
Records Management/ e-mail, documents, paper	400	Q3
Controls Over ACH Transmissions	100	Q3
Emergency Preparedness & Business Continuity	300	Q3
LMO Cost Allowability FY2008	200	Q1
LMO Cost Allowability FY2009	100	Q2
ANR -4-H Central Office	150	Q1
ANR-Water Resources Center	150	Q4
ANR: Sea Grant Extension Program	200	Q1
Review of Departmental Computing General Controls	100	Q1

**Appendix 1 –
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UCOP – AUDITS	Budget	Est. Completion Qtr
STIP Administrative Fees and Allocations	75	Q1
UCOP– Advisory Services		
ANR Contracts & Grants Reorganization	200	Q1
Executive Compensation	200	Q3
Inventory of Academic Affairs Projects	350	All
Business Resource Unit-Internal Controls	300	Q3
International Wires-Internal Controls	150	Q1
General Obligation Bonds, Retention Requirements	80	Q1
BUG Hyperion Implementation	200	Q2
Project Management Office/Function	120	Q2
UCRS Manual Check Process	100	Q1
UCRS Internal Controls on reorganization	200	Q3
UCRS Knowledge Center Implementation	250	Q2
LMO - Post Contract Reserve Account	300	Q1
LMO - Close out unallowable expenditures	57	Q1
BUG Internal Controls	250	Q2
Total Planned Hours – UCOP	6,632	

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC Merced (.13 FTE*) – AUDITS	Budget	Est. Completion Qtr
SMG Policies	200	Q2
Cost Transfers	300	Q1
IT Infrastructure- Network	250	Q3
Disaster Recovery\Business Continuity	100	Q1
IT Performance, Backups, e-mail storage	150	Q2
UCM Personnel Records/ I9 Docs	100	Q1
UCM Review for NACHA Bank Account Info	100	Q1
UC Merced – Advisory Services		
Exec compensation & benefits	120	Q3
MSO Criteria and Training	50	Q4
* Plus additional outsourcing for select projects		
Total Planned Hours – UC Merced	1,370	

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC Riverside (5.85 FTE)– AUDITS	Budget	Est. Completion Qtr
Agricultural Operations	200	Q1
Chemistry Shops & Facilities	200	Q4
Lab Safety/Construction Safety	200	Q2
Office of Design & Construction - Restart of Frozen Projects	200	Q3
Office of Design & Construction - Commons, Phase 2	200	Q2
Housing and Food Services (Include Arroyo Vista Café)	250	Q3
Graduate School of Education	300	Q2
UNEX - General & Financial Management	250	Q4
Analytic Review & Fraud Detection	600	Q4
Arts Block, Including Cashiering	200	Q3
Research - Conflict of Interest	250	Q3
BCOE MESA	150	Q2
Controlled Substances	150	Q4
Employee Time Reporting	250	Q2
International Scholar Center	150	Q1
Contracts & Grants (Including Cost Transfers - SW)	300	Q1
Implementation of SMG Policies (Ethics - SW)	200	Q2
Annual Report on Executive Compensation (SW)	50	Q3

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC Riverside – AUDITS	Budget	Est. Completion Qtr
Chancellor Housing Expenses	50	Q3
Chancellor Travel & Entertainment (SW)	50	Q3
EVC/Provost Office	200	Q2
Technology Transfer	100	Q1
E Discovery	200	Q3
IT Security - Self Assessment	100	Q3
IT Architecture	150	Q2
Registration Fee Follow-Up	20	Q4
Student Health Center Pharmacy Follow-Up	20	Q4
UC Riverside – Advisory Services		
Major Campus Systems - EDI	80	Q4
Major Campus Systems - GSIS	80	Q4
Major Campus Systems - LMS/HR	40	Q4
Major Campus Systems - Online Ck Req	40	Q4
Major Campus Systems - PAMIS	80	Q4
Major Campus Systems - SIS	80	Q4
Major Campus Systems - UA	80	Q4
Major Campus Systems - UCRFS/AP/eBuy	225	Q4

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List of Audit and Advisory Service Projects**

UC Riverside – Advisory Services	Budget	Est. Completion Qtr
Major Campus Systems - SAIS	40	Q4
Major Campus Systems - Asset Management	80	Q4
Major Campus Systems - FA	80	Q4
NCAA Compliance	15	Q4
School of Medicine	285	Q4
ERM	50	Q4
Training - WB & Fraud Awareness	30	Q4
Training - Accountability & New Employee Orientation	50	Q4
Total Planned Hours – UC Riverside	6,325	

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC Santa Barbara (5 FTE) – AUDITS	Budget	Est. Completion Qtr
Gift Processing	100	Q1
Business Contracts - International	100	Q1
Campus Security	100	Q1
Institutional Animal Care and Use Committee (IACUC)	300	Q2
Conflict of Interest in Research	300	Q3
Subagreements in Research	300	Q4
Cost Transfers	300	Q1
SMG Policy Review	200	Q2
Intercollegiate Athletics	350	Q4
Check Requests - UCSB Disbursements Application	300	Q3
Department of Psychology	300	Q2
Institute for Social, Behavioral, and Economic Research (ISBER)	350	Q2
Associated Students	300	Q3
IT Systems Acquisition - Transportation and Parking Services	300	Q4
IT - UC Trust	200	Q4
UC Santa Barbara – Advisory Services		
Executive Compensation - AREC Review	75	Q3
Executive Compensation - Chancellor's Expenses G-45 Review	75	Q3
Total Planned Hours – UC Santa Barbara	3,950	31

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC Santa Cruz (4.9 FTE) – AUDITS	Budget	Est. Completion Qtr
Shakespeare Santa Cruz	150	Q1
IDM System Implementation	200	Q1
University Relations	100	Q1
Cost Transfers - Systemwide	400	Q1
Records Management	450	Q1
SAS 112 Controls - Sub Leger Systems	389	Q2
Senior Management Group (SMG) - Systemwide	150	Q2
G-45 Chancellor Allocations - Systemwide	150	Q3
University Affiliated Research Center (UARC)	400	Q3
Desktop Support Security	350	Q3
Intellectual Property - Tech Transfer	450	Q3
Executive Compensation and Benefits - Systemwide	200	Q3
Lab Safety Programs	400	Q4
HIPAA Review	100	Q4
UC Santa Cruz – Advisory Services		
NCAA Report Annual Review	50	Q2
Travel Continuous Monitoring	300	Q1
Total Planned Hours – UC Santa Cruz	4,239	

Appendix 1 – List of Audit and Advisory Service Projects

UC San Diego (14.71 FTE) – AUDITS	Budget	Est. Completion Qtr
Distributed Network Security – Research Affairs	200	Q1
Health Sciences Vendor Policy Compliance	200	Q1
Cancer Center Research Billing Process Task Force	200	Q2
Medical Center Business Contracting Processes	300	Q2
Admission and Registration	150	Q1
Executive Compensation - Compensation Policy (system-wide)	200	Q2
Cost Transfers (system-wide)	300	Q1
Large Academic Unit (Physics)	300	Q1
Department Limited Scope Reviews (ECE, Sociology)	200	Q1
Purchasing - Business Contracts (Service Agreements)	300	Q3
UCSD Gift Expenditure Review	300	Q2
Hazardous Materials - Chemical Safety	300	Q3
Laboratory Research Compliance (Stem Cell)	300	Q4
College Audits (Sixth College)	300	Q2
Distributed Network Security – Marine Sciences (SIO)	300	Q4
Facilities Design & Construction Recharge Practices	300	Q2
Campus Wireless Network – (Post Upgrade Review)	300	Q3
Student Fees and Receivables	100	Q4

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC San Diego – AUDITS	Budget	Est. Completion Qtr
Pharmacy Business Operations (Inventory and Billing)	300	Q4
Hospital Receivables – Credit Balance Management	300	Q2
Charge Description Master Maintenance	300	Q1
Medicare Payments to Organ Procurement Organizations	300	Q1
Medical Center Contract Review	300	Q4
Hospital Cost Center Audit (s) (GI Endoscopy Suite, Blood Bank Laboratory, MRI, CT)	300	Q2,3,4
Imaging Services – Orders and Reports	300	Q3
UCSD/RCHSD Affiliation Review	300	Q3
Application Security – Web Inspect Scans	300	Q3
Department of Surgery	300	Q2
School of Pharmacy Business Operations	300	Q3
Medical Group Clinical Research Billing Processes	244	Q4
UC San Diego – Advisory Services		
BPSA Compliance	150	Q4
BPSA Control Environment	150	Q4
Stem Cell Research Administration	100	Q4
Review of Annual Report on Executive Compensation (AREC) (system-wide)	50	Q3
Chancellor’s Expenses (Searles Funds; Travel & Ent.) (system-wide)	100	Q3

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC San Diego – Advisory Services	Budget	Est. Completion Qtr
Purchasing - (Research) Sub-contracts Work Group	100	Q4
Health and Safety Coordinating Council	100	Q4
“My UCSD Chart” Application Review	100	Q1
VASDHS Effort Reporting	100	Q2
Epic Ambulatory EMR – Ordering and Charging Processes	200	Q3
UCSD Lifesharing Accounts Receivable Management System	100	Q1
Total Planned Hours – UC San Diego	9,344	

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC San Francisco (10.55 FTE) – AUDITS	Budget	Est. Completion Qtr
Charity Care	300	Q2
Research vs. Instruction Accts	100	Q1
Departmental Reviews - SOD	126	Q1
Cost Report- GME	100	Q1
Active Directory	150	Q1
Campus Wireless	100	Q1
Misc & Other NCAs	150	Q1
Delegated Authority	150	Q1
Research - Cost Transfers	300	Q1
Departmental System Vulnerability Assessment	300	Q3
Compliance - Red Flags Rule	300	Q2
Student Accounting	200	Q2
Ethics - SMG Policies	200	Q2
Business Contracts	300	Q2
Executive Compensation (AREC/T&E/Chancellor's Housing & Allotment Funds)	250	Q3
Advance Beneficiary Notices	250	Q2
Hospital Based Clinic – Cardiology	200	Q1
Pharmacy – System Interfaces	300	Q3

**Appendix 1 –
List of Audit and Advisory Service Projects**

UC San Francisco – AUDITS	Budget	Est. Completion Qtr
Medical Records - CMS Condition of Participation	300	Q1
Charge Description Master	300	Q3
Medical Staff Admin – Credentialing	200	Q2
UC San Francisco – Advisory Services		
Interpretation Services - Advisory	150	Q4
Direct Reports	60	Q4
Time and Attendance/Vacation Leave Accrual	300	Q4
Capital Projects Business System – SDLC	150	Q4
Advance System (Phase II) - SDLC	175	Q4
UCare System Implementation – Perinatal	150	Q4
UCare System Implementation – OLG	100	Q4
Total Planned Hours – UC San Francisco	5,661	

**Appendix 1 –
List of Audit and Advisory Service Projects**

UCOPECAS (2 FTE*) – AUDITS	Budget	Est. Completion Qtr
HIPAA Compliance	250	
HIPAA Stimulus package	250	
Effort Reporting (ECAS)	300	
Billing and Coding (ECAS)	300	
HR Vendor Policy	200	
Conflict of Interest	300	
Cost Transfers	250	
SMG Policies	100	
Executive Compensation	100	
Total Planned Hours – UCOPECAS	2,050	
*Plus additional outsourcing of select projects		
TOTAL PLANNED HOURS	85,520	

Appendix 2 – Audit Metric Examples

The following slides are sample reporting metrics for Internal Audit.

Below is a sample reporting metric for location audit plans that measures the budgeted and actual hours per project, as well as the completion timeframe .

Status Date: 9/30/09 (end of Q1)				
Campus X - Audits	Planned Qtr /Actual Qtr	Budget Hours /Actual Hours	Completion Status	Target
Audit Project 1	Q1/	300/350	Active	Not on Target
Audit Project 2	Q2/	250/200	Active	On Target
Audit Project 3	Q1/Q1	300/325	Completed	On Target
Audit Project 4	Q3/	Q3	Planned	On Target
Audit Project 5	Q1/	Q1	Active	Not On Target
Audit Project 6	Q2/	Q2	Planned	On Target
Campus X – Advisory Services				
Advisory Project 1	Q1/Q1	100/100	Completed	On Target
Advisory Project 2	Q2/	Q2	Active	On Target
Advisory Project 3	Q3/	Q3	Planned	On Target

Appendix 2 – Audit Metric Examples

The internal audit score card below highlights the results of the internal audits completed and the status of management action plans to resolve the issues identified in accordance with management’s agreed upon timeframe for resolution of the issues. Management responds with a corrective action (MCA-management corrective action) and timeframe to all observations.

As of XXXX, 2009	Q1, 2009	Q2, 2009
Campus X - Audits Completed	4	3
Observations (MCAs) (high, medium and low)/per quarter	12	8
Observations (MCAs) <i>Not on Target</i> (per quarter)	High X Med X Low X	0
Open Issues	15	14
Closed Issues	16	10
Total Issues	31	24

sample