

**One Year Update on Recommendations to the Office of the President
CSA UCOP Administrative Expenditures One Year Responses**

#	Recommendation	Work stream(s)	Recommendation Implementation Status*	CSA Due Date	6- Month Update	CSA's Assessment of Status	One Year Update
10	Develop a method for weighing comparable public and private sector pay data when establishing salaries for all positions.	1.0 Set targets for UCOP employee salary ranges 2.0 Set targets for leadership salary ranges 3.0 Set targets for staff salary ranges (1.0, 2.0, 3.0)	Fully Implemented	April 2018	<p>Additional surveys are being reviewed to assess their underlying data management methodology, data viability, and survey participants.</p> <p>The work group is reviewing practices at other public and private AAU institutions to determine how each define their competitive labor markets; the methodologies they use for including public, private and other data; and, the surveys they use for analyzing markets, among other considerations.</p> <p>Systemwide data is being reviewed to identify the organizations that comprise UC's recruiting and retention activity.</p> <p>Survey sources are being reviewed for analyzing and updating Market Reference Zones for Senior Management Group positions.</p> <p>Analysis of UCOP salary ranges is being conducted.</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's development of a method for weighing comparable public and private sector pay data. As of November 13, 2017, the Office of the President has not yet established survey sources, data sources, survey protocols, and survey methodologies. Moreover, it has made no changes to its current process for establishing salaries for executive staff. It claims that it will identify these items by the April due date.</p> <p>However, we are concerned that the Office of the President does not intend to take genuine steps to implement this recommendation because it continues to contend that university employees are not comparable to state employees. Specifically, an Office of the President document analyzing its labor market concludes, "State positions are not comparable to UC positions, the State is not a competitor with the University, nor are their compensation practices and programs aligned with market practices..." It goes on to state, "CSU, often cited by CSA as a comparator to UC, is not comparable to UC." As we describe in our audit report, in the Budget Act of 2016, the Legislature required the regents to consider compensation for comparable state positions when evaluating the salaries of executives. The Legislature reissued this requirement in the Budget Act of 2017. In our report, we also acknowledge that while the Office of the President's assertion that the higher education environment necessitates higher pay for its staff for certain positions, this argument has less merit for administrative staff who perform similar duties no matter where they work.</p> <p>The Legislature required the Office of the President to demonstrate a good faith effort to implement all of our recommendations; however, we do not believe that the Office of the President's response to this recommendation meets that requirement. The conclusions of the analysis above is in conflict with these directives and disregards our audit findings that the Office of the President— even when factoring in a cost-of-living adjustment—pays its staff significantly more than public employees as demonstrated in Figure 13 and Table 8 of our report. Furthermore, the Office of the President did not share adequate details with the regents Governance and Compensation committee regarding the work it has performed and its preliminary conclusions. When we shared this recommendation with the chief operating officer, she stated that this</p>	<p>Fully Implemented Completion Date: March 2018</p> <p>On March 15, 2018, the Regents adopted a methodology, as recommended by the Regents' Working Group on Executive Compensation, for weighing public and private sector data to create the new Market Reference Zones for Senior Management Group (SMG) members as displayed in the documents found at the link below. The Regents also adopted a methodology to reflect our competitive labor market, and include data from the State and CSU for operational staff and academic administrative positions at UC. As a result, approximately 85% of UC administrative SMG positions and 50% of academic SMG positions were matched to State or CSU positions.</p> <p>The same methodology for evaluating and weighing public and private sector data has been adopted for non-SMG staff compensation (Career Tracks), including establishing a minimum weighting of 12.5% for State data, and matching UC positions to CSU positions. This methodology will govern data collection and analyses to amend the Career Tracks salary ranges for all non-represented staff, including those at UCOP.</p> <p>The link to the Regents item below provides details on the new methodology and revised MRZs. http://regents.universityofcalifornia.edu/regmeet/mar18/g2.pdf</p> <p>The link below provides the Regents' approval of the item: http://regents.universityofcalifornia.edu/aar/marg.pdf</p> <p>A more detailed document on the Overview of Methodology for Staff Jobs excluding SMG and Represented Staff is being submitted to the CSA with this one-year update.</p>

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						analysis was a preliminary look at the marketplace and that the regents and the president still need to weigh in on these conclusions. She also stated that the Office of the President is not necessarily going to align its salaries with the market and that it is taking this analysis very seriously. However, we recommend that the regents and their independent consultant invest additional efforts into holding the Office of the President accountable for implementing this recommendation.	
11	Determine how to restructure salary ranges to make certain the ranges encourage employee development and ensure pay equity.	(1.0, 2.0, 3.0)	Fully Implemented	April 2018	Options and recommendations for including public data and for assigning a weight have been presented to UCOP leadership for review and feedback. Survey sources are being reviewed for analyzing and updating Market Reference Zones for Senior Management Group positions. Analysis of UCOP salary ranges is being conducted.	Pending The status of this recommendation is pending the Office of the President's actions related to restructuring its salary ranges. To date the Office of the President has not provided us with sufficient documentation to allow us to understand the status of this recommendation. However, the concerns we discuss in recommendation 10 also apply to this recommendation.	Fully Implemented Completion Date: March 2018 Career Tracks is the UC classification and grade structure that provides staff with: a clear and transparent system for charting and understanding options for a career path anywhere in UC; details of the job requirements of their current position and any other position they might be interested in pursuing; and online access to all job descriptions, job requirements and salary ranges. Career Tracks uses a market-based salary structure, meaning that external labor market salaries for a position are the primary basis for establishing job value which drives assignment of salary ranges. Salary data for comparable positions at the State and CSU will be included in this market analysis, as described in recommendation #10, and as approved by the Regents. This market-based structure promotes pay equity and is legally defensible because ranges are linked to external factors rather than to individual employees or internal pay practices. The majority of salaries will fall at or near the 50% percentile (midpoint), but the breadth of the salary range accommodates a range of skill levels for a job: those just beginning their career receive a salary in the lower portion of the range, and those who have deep relevant knowledge, skills and technical expertise greater than the "average" worker could, in a given role, be paid higher in the salary range, above the midpoint. Additional details are provided in the Overview of Methodology for Staff Jobs excluding SMG and Represented Staff submitted to the CSA, and the Regents item: http://regents.universityofcalifornia.edu/regmeet/mar18/g2.pdf . The methodology described above will be the basis for narrowing the salary ranges by the April 2019 CSA

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12	Evaluate and identify needed changes in employee benefit policies to ensure they include reasonable safeguards to control costs.	4.0 Align expense reimbursement policies with best practice	Fully Implemented	April 2018	Changes to systemwide policies were made for car allowances, meal limits during business travel, hotel rates, relocation allowances, moving reimbursements and senior manager supplemental retirement contributions, effective October 2017. Changes to policies at the Office of the President were made in October 2017 for issuance of cell phones and other electronic devices and for stipends.	<p>Partially Implemented</p> <p>The Office of the President has taken action on most of the benefit policies we outline in Table 9 of our report. Although the Office of the President asserts it made changes to systemwide policies, we determined that this recommendation remains partially implemented due to actions the Office of the President and the regents need to take to change its policies for car allowances, business meetings and entertainment, employer contributions toward a retirement savings plan for SMGs, and stipends. Moreover, many of the policy changes only effect new hires or appointees and do not apply to current staff.</p> <p>Incomplete</p> <p>Car Allowances: In October, the Office of the President added an administrative note to the car allowance policy stating that the President is no longer recommending or approving automobile allowances for new hires or new appointees. The note further states that current recipients may continue to receive automobile allowances until they step down from their current positions or change positions. Although we recognize this action as a positive step that meets the spirit of our recommendation, until the regents take action to approve the policy changes the Office of the President's approach creates the risk that in the future a president may choose to remove the administrative note and restart the practice of issuing car allowances. To implement this recommendation fully, the Office of the President needs to take policy revisions to the regents for approval who would vote to change the policy.</p> <p>Business Meetings and Entertainment: We expressed a concern in our audit that the amount the Office of the President reimburses for business and entertainment costs is too high. The Office of the President has taken some actions to change its costs for business meetings and entertainment, but has not revised the university policy that allows for the reimbursement of these costs. In May 2017, the Office of the President implemented new restrictions</p>	<p>recommendation. UCOP has begun identifying several possible scenarios for narrowing ranges based on the Regents' approved method for weighing comparable public and private sector pay data for non-executive staff. Analysis of the possible scenarios will begin in the next fiscal year.</p> <p>Fully Implemented Completion Date: April 2018</p> <p>Policy revisions to the Senior Manager Group policies for car allowances, employer contributions toward a Retirement Savings Plan, relocation allowances and moving reimbursements were approved by the Regents Governance and Compensation Committee on March 14, 2018. http://regents.universityofcalifornia.edu/regmeet/mar18/g1.pdf (item attachments show the "marked up" revisions)</p> <p>Revised and approved stipend procedures and policies at the Office of the President were published here: https://www.ucop.edu/local-human-resources/files/policies/ppsm/PPSM30_stipend.pdf https://www.ucop.edu/local-human-resources/files/policies/ppsm/ppsm30.pdf</p> <p>Regarding the CSA's concern about UCOP business meeting meals for its employees, UCOP revised its policy to lower the daily maximum for all meals to \$74 per day and require that meetings be a minimum of three hours. Revised business meeting and entertainment policies and procedures for UCOP were published here: https://www.ucop.edu/business-resource-center/policies-and-guidance/guidelines/new-restrictions-on-use-of-ucop-funds.html</p>

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						<p>disallowing expenditures on retirement events and limiting the cost of morale building events to \$19 per person or \$500 in total, whichever is less. The policy also states that Office of the President funds cannot be used for any form of entertainment such as tickets to a fine arts or sporting events. However, because the Office of the President has not taken steps to update the university's policy, we still have concerns. For example, based on our reading of the May 2017 memo and the university's policy, Office of the President employees could still charge between \$19 and \$81 for business meetings provided to its employees. To implement this recommendation fully, the Office of the President needs to update the university's business meeting and entertainment policy to lower these reimbursable costs.</p> <p>Employer Contributions Toward a Retirement Savings Plan for SMGs: In October, the Office of the President added an administrative note to the senior management supplemental benefit policy stating that the President is no longer recommending or approving participation in this program for new hires or new appointees. The note further states that current recipients may continue to participate in the program until they step down from their current positions or change positions. We recognize this action as a positive step that meets the spirit of our recommendation. However, until the regents take action to approve policy changes that affect the compensation of SMG employees, the Office of the President's approach creates the risk that in the future a president may choose to remove the administrative note and allow new SMG employees to participate in the program. The Legislature made \$50 million of funding contingent upon the university demonstrating a good faith effort at adopting a policy that does not provide supplemental retirement payments to any new SMG employees no later than May 1, 2018. To implement this recommendation fully, the Office of the President needs to take policy revisions to the regents for approval so they can vote to change the policy.</p> <p>Stipends: In October 2017, the Executive Director of UCOP Human Resources sent an e-mail to all Office of the President managers and supervisors reissuing the Office of the President's procedures for approving stipends. In this e-mail, she establishes additional controls for Office of the President employees that exceed the requirements of the university's compensation policy. Specifically, according to this e-mail, the Office of the President's human resources recommends that stipends do not exceed 20 percent of an employee's base salary;</p>	

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						<p>whereas, the policy allows stipends to reach 25 percent of an employee's base salary. Although we recognize that this action is a positive step that meets the spirit of our recommendation, to implement this recommendation fully, the Office of the President needs to establish formal policies and procedures for the approval of stipends that reconcile the difference between the recommendation from its human resources and its formal policy.</p> <p>Complete</p> <p>Cell Phones: In October, the Office of the President issued a mobile device policy that includes many safeguards to control costs and ensure the proper distribution and tracking of cell phones and other electronics. This policy is sufficient to address our recommendation.</p> <p>Meals: In October, the Office of the President updated its travel policy to limit the allowable per-person reimbursement for meals and incidentals to \$62 per day. The policy also states that meal reimbursements must not be treated as a per diem and must be for the actual and reasonable costs incurred. This policy aligns with that of the California State University and is therefore more reasonable and justified. This policy is sufficient to address our recommendation.</p> <p>Lodging: In October, the Office of the President updated its travel policy to limit in-state and out-of-state lodging reimbursements to a traveler's actual costs not to exceed \$275 per night. The policy also states that lodging reimbursements must be reasonable for the locality of travel. This lodging policy aligns with that of the California State University and is therefore more reasonable and justified. This policy is sufficient to address our recommendation.</p> <p>Relocation Allowance: In October 2017, the Office of the President removed its policy on relocation allowances and replaced it with a more specific policy on reimbursable relocation expenses. The new policy allows the university to reimburse an appointee for the cost to sell his/her former primary residence or for the settlement of an unexpired lease. This policy is sufficient to address our recommendation.</p> <p>Moving Reimbursement: In October 2017, the Office of the President updated its moving reimbursement policy. The new policy clearly outlines which costs the university will reimburse for and places limits on those costs. It also made some costs that were previously</p>	

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						<p>reimbursable—such as the assembly and disassembly of unusual items like swing sets and swimming pools—unallowable. This policy is sufficient to address our recommendation.</p> <p>Performance Bonuses: In May 2017, the Office of the President implemented new restrictions regarding employee bonuses. Specifically, it limited STAR Awards to \$500 per person. Moreover, the policy only allows one award per person or team per fiscal year and the awards must recognize a specific project or event that is above and beyond the normal scope of an employee's regular job. These changes address our recommendation.</p>	
23	Set targets for any needed reductions to salary amounts using the results from its public and private sector comparison and adjust its salaries accordingly.	(1.0, 2.0, 3.0)	Not Fully Implemented	April 2019	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations.	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's development of a method for weighing comparable public and private sector pay data due April 2018.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2019</p> <p>The Office of the President has initiated efforts to implement this recommendation and will provide a status update on its progress at the next reporting milestone.</p>
24	Narrow its salary ranges.	(1.0, 2.0, 3.0)	Not Fully Implemented	April 2019	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations.	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's actions related to restructuring its salary ranges due April 2018.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2019</p> <p>The Office of the President has initiated efforts to implement this recommendation and will provide a status update on its progress at the next reporting milestone.</p>
25	Set targets for appropriate employee benefits and implement new processes that ensure employees adhere to the revised policies regarding employee benefits.	4.0 Align expense reimbursement policies with best practices	Not Fully Implemented	April 2019	Procedures are in place at each campus, medical center and the Office of the President to ensure compliance with the systemwide policy and administrative changes made in October 2017. Procedures at the Office of the President are in place to implement the policy changes made in April 2017 and October 2017.	<p>Partially Implemented</p> <p>Although the Office of the President asserted to us that this recommendation is fully implemented, we disagree. As we discuss in recommendation 12, the Office of the President and the regents still need to take additional actions related to its policies for car allowances, business meetings and entertainment, employer contributions toward a retirement savings plan for SMGs, and stipends. Moreover, when we asked the Office of the President to provide targets for appropriate employee benefits, it referred us to one line in the 2017-18 budget that stated it aims to reduce employee travel expenditures by 10 percent. We find this single target insufficient to address this recommendation as we intended the recommendation to encompass all employee benefits.</p>	<p>Not Fully Implemented Estimated Completion Date: May 2018</p> <p>The Office of the President has initiated efforts to implement this recommendation and will provide a status update on its progress at the next reporting milestone.</p> <p>The Office of the President is setting targets for appropriate employee benefits as part of the 2018-19 budget process.</p> <p>See update for recommendation 12 outlining the actions taken to approve and publish policy changes.</p>
26	Create a plan for	(1.0, 2.0, 3.0)	Not Fully	April 2019	Implementation of this recommendation	Pending	Not Fully Implemented

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	reallocating funds to campuses that it saves as it reduces its staffing costs.	4.0 Align expense reimbursement policies with best practices	Implemented		will be dependent on actions taken in response to the April 2018 recommendations.	The status of this recommendation is pending the Office of the President's implementation of our staffing recommendations due by April 2019.	Estimated Completion Date: April 2019 The Office of the President has initiated efforts to implement this recommendation and will provide a status update on its progress at the next reporting milestone.
34	Adjust its salary levels and ranges to meet its established targets.	(1.0, 2.0, 3.0)	Not Fully Implemented	April 2020	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations.	Pending The status of this recommendation is pending the Office of the President's implementation of our salary restructuring recommendations due in April 2018 and April 2019.	Not Fully Implemented Estimated Completion Date: April 2020 Implementation of this recommendation will be dependent on actions taken in response to the April 2019 recommendations.
35	Adjust its employee benefits to meet its established targets.	4.0 Align expense reimbursement policies with best practice	Fully Implemented	April 2020	Systemwide policy changes were implemented in October 2017 based on benchmarking data from federal and state sources as well as CSU and other public universities.	Pending The status of this recommendation is pending the Office of the President's implementation of our employee benefit recommendations due in April 2018 and April 2019. As we discuss in recommendation 12, the Office of the President and the regents still need to take additional actions related to its policies for car allowances, business meetings and entertainment, employer contributions toward a retirement savings plan for SMGs, and stipends.	Fully Implemented Completion Date: April 2018 See recommendation 12 update for actions taken to implement the changes in employee benefits.
36	Reallocate funds to campuses when adjustments to its salaries and benefits result in savings.	(1.0, 2.0, 3.0) 4.0 Align expense reimbursement policies with best practices	Not Fully Implemented	April 2020	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations.	Pending The status of this recommendation is pending the Office of the President's implementation of our staffing related recommendations due April 2018 and April 2019.	Not Fully Implemented Estimated Completion Date: April 2020 The Office of the President has initiated efforts to track savings from employee reimbursement policy changes. An update on the implementation of this recommendation will be dependent on actions taken in response to the April 2019 recommendations.
39	Report to the regents on the amount of funds it reallocates to campuses as a result of implementing our recommendations	(1.0, 2.0, 3.0) 4.0 Align expense reimbursement policies with best practices	Not Fully Implemented	April 2020	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations.	Pending The status of this recommendation is pending the Office of the President's implementation of our staffing-related recommendations due April 2018 and April 2019.	Not Fully Implemented Estimated Completion Date: April 2020 Implementation of this recommendation will be dependent on actions taken in response to the April 2019 recommendations.

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	. (re: staffing costs)						
13	Complete phase one of CalHR's best practice workforce planning model by developing a strategic direction for its workforce plan.	5.0 Implement workforce and staffing plans	Fully Implemented	April 2018	<p>The workgroup has reviewed the CalHR workforce planning model and is reviewing practices at other public and private AAU institutions to determine how each define the approach to workforce planning.</p> <p>The group has completed the stakeholder analysis and is focused on the early development of the UCOP workforce planning model.</p> <p>There was a conference call with CalHR in early October to discuss the current state of the CalHR workforce planning activity. Members of the workforce planning workgroup participated in the CalHR Quarter Workforce Planning forum on in early October.</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's completion of CalHR's best-practice workforce planning model.</p>	<p>Fully Implemented Completion Date: March 2018</p> <p>The workgroup completed Phase One: Setting the Strategic Direction of CalHR's best practice workforce planning model. The resulting whitepaper has been reviewed and discussed with key stakeholders, including the president, senior staff, Executive Budget Committee, Academic Senate representatives, Council of Chancellors and the UC Regents.</p> <p>The March 2018 Regents Item: Update of University of California Office of the President Audit of Administrative Expenditures on Workforce Planning can be found here: http://regents.universityofcalifornia.edu/regmeet/mar18/g5.pdf</p>
27	Implement phase two of CalHR's best practice workforce planning model by determining its current and future staffing and competency gaps. As part of this phase, the Office of the President should consider the input of stakeholders including campuses and students, regarding which elements of its organization are of critical	5.0 Implement workforce and staffing plans	Not Fully Implemented	April 2019	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations.	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's completion of CalHR's best-practice workforce planning model due April 2019.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2019</p> <p>The Office of the President has initiated efforts to implement this recommendation and will provide a status update on its progress at the next reporting milestone.</p>

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	importance and which elements it could potentially eliminate or downsize.						
37	Implement phase three of CalHR's best practice workforce planning model by presenting the final workforce plan to its staff and beginning its implementation by carrying out workforce planning strategies covering a three-to five-year period. The Office of the President should make its final workforce plan publically available.	5.0 Implement workforce and staffing plans	Not Fully Implemented	April 2020	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 and April 2019 recommendations.	Pending The status of this recommendation is pending the Office of the President's implementation of our workforce planning recommendations due April 2018 and April 2019.	Not Fully Implemented Estimated Completion Date: April 2020 Implementation of this recommendation will be dependent on actions taken in response to the April 2019 recommendations.
38	Implement phase four and five of CalHR's best practice workforce planning model by implementing its workforce plan strategies and annually evaluating the completed workforce plan strategies against defined performance	5.0 Implement workforce and staffing plans	Not Fully Implemented	April 2020	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 and April 2019 recommendations.	Pending The status of this recommendation is pending the Office of the President's implementation of our workforce planning recommendations due April 2018 and April 2019.	Not Fully Implemented Estimated Completion Date: April 2020 Implementation of this recommendation will be dependent on actions taken in response to the April 2019 recommendations.

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	indicators and revising the plan where necessary.						
3	Document and review the restrictions on its funds and fund commitments to determine whether it can reallocate any of these funds to its discretionary budget for reallocation to campuses.	6.0 Reassess fund restrictions	Fully Implemented	April 2018	<p>The workgroup formulated a project scope and workgroup charter. The group has identified a list of funds used within the UCOP budget (500+) and created a file to track them, along with their respective key attributes.</p> <p>Next steps in the review include identifying funds with external restrictions and subsequently validating this information with departments and divisions across UCOP.</p> <p>The workgroup will then review the restrictions and evaluate any opportunities to relieve restrictions to support unrestricted budget categories, with the input of key subject-matter experts and the Executive Budget Committee.</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's review of fund restrictions. The Office of the President plans to report on its fund restrictions, commitments, and balances by April 2018. According to the Office of the President's working list of restricted funds, there are 521 active restricted funds. The Office of the President asserts that only 136 of those funds are restricted for Office of the President budget purposes, but not restricted per the university's financial audit or generally accepted accounting principles. Therefore, the Office of the President has discretion to make the policy decision to remove the restrictions on these funds.</p>	<p>Fully Implemented Completion Date: March 2018</p> <p>Categories and definitions for fund restrictions were created based on the University's accounting policies and generally accepted accounting principles. All of the funds on the general ledger for the Office of the President were reviewed and assigned an appropriate fund restriction category. The results of this process were presented to the Regents Finance and Capital Strategies Committee on March 14, 2018. The fund restriction working group recommended that 68 funds with total balances of \$74.7 million as of June 30, 2017 be reclassified as unrestricted and undesignated. The Regents item F10 contains supporting documentation, including a table in Attachment B, summarizing the Office of the President funds and their classification based on the definitions can be found at the link below. http://regents.universityofcalifornia.edu/regmeet/mar18/f10.pdf</p> <p>UCOP has provided the CSA with documentation supporting its analysis of fund restrictions.</p>
20	Publish the results of its review of fund restrictions and fund commitments and any funds it anticipates reallocating to campuses.	6.0 Reassess fund restrictions	Not Fully Implemented	April 2019	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations.	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's review of fund restrictions due by April 2018.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2019</p> <p>The Office of the President has initiated efforts to implement this recommendation and will provide a status update on its progress at the next reporting milestone.</p>
31	Reallocate to the campuses funds that it identified during its review of fund restrictions and fund commitments.	6.0 Reassess fund restrictions	Not Fully Implemented	April 2020	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations and potentially on UCOP's ongoing funding sources. Impact of this recommendation varies under the established campus assessment model versus direct state	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's implementation of our fund restriction and fund commitment recommendations due April 2018.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2020</p> <p>Implementation of this recommendation will be dependent on actions taken in response to the April 2019 recommendations.</p>

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					appropriations.		
4	Develop a reserve policy that governs how large its reserve should be and the purposes for which it can be used.	7.0 Establish UCOP reserve policy	Fully Implemented	April 2018	<p>An analysis and summary of existing UCOP reserve practices and balances and a stakeholder analysis have been completed and reviewed by UCOP leadership. This process included benchmarking and research of reserve practices and policies of other universities and organizations in the non-profit/government sector.</p> <p>A forecasting model for reserve-requirements scenarios with related assumptions for a central operating reserve is being developed. The workgroup will use it to model various reserve-requirements scenarios. A review of historical practices for strategic-priorities reserves is in progress to support projections and scenarios for future reserves requirements.</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's development of a reserve policy. The Office of the President plans to present its recommended reserve policy to the regents in late January 2018.</p>	<p>Fully Implemented Completion Date: February 2018</p> <p>UCOP has completed its analysis and determined appropriate operating reserve requirements. As a result, a Regents policy governing UCOP's Central Operating Reserve was developed and subsequently approved by the Regents at the January 2018 Regents meeting. The policy can be found here: http://regents.universityofcalifornia.edu/governance/policies/5104.html. Implementation guidelines detailing how the Central Operating Reserve should be implemented are documented in the approved Presidential Guidelines here: https://policy.ucop.edu/doc/3000673. The Presidential Guidelines were included in the item approved by the Regents at the January 2018 meeting.</p> <p>UCOP has also reviewed historical practices for short-term strategic priorities funding. Presidential Guidelines governing the amount and spending guidelines for the Strategic Priorities Fund were developed, approved by the President, and reviewed by the Regents. The approved Presidential Guidelines covering the Strategic Priorities Fund can be found here: https://policy.ucop.edu/doc/3000674.</p>
5	Implement our recommended budget presentation shown in figure 11 on page 40. Specifically, the Office of the President's budget presentation to the regents should include a comparison of its proposed budget to its actual	8.0 Clarify UCOP budget presentation	Fully Implemented	April 2018	<p>The budget presentation work group has met regularly to address the California State Auditor's budget format as detailed in figure 11, page 40, of CSA's audit report. The final FY2017-18 budget presentation in July 2017 incorporated CSA audit format and the team is focused on additional improvements to further enhance the nuances and clarity of the UCOP budget.</p> <p>The work group completed its charter and stakeholder analysis review with COO Nava. The Executive Budget Committee (EBC) has reconvened and meets monthly. The October-through-</p>	<p>Pending</p> <p>We have concerns regarding the Office of the President's 2017-18 budget. On the Office of the President's website, it states that it has partially implemented this recommendation. However, we disagree based on a review of the Office of the President's data and its supporting documentation. Our concerns are regarding the budget's accuracy and the fact that the Office of the President did not seek the regents' approval for \$12 million in additional budget expenditures. Overall, although the Office of the President used our recommended budget format, we found that it could not adequately substantiate the amounts it used in the presentation.</p> <p>Because the Office of the President expedited its budget process by two months, it developed its budget "offline" using questionable methods. For example, for expenditures from what we called the</p>	<p>Fully Implemented Completion Date: April 2018</p> <p>UCOP engaged in a project to simplify, clarify, and present a transparent annual operating budget to the Regents. UCOP revised the FY2018-19 budget presentation format by:</p> <ul style="list-style-type: none"> • Reviewing GFOA and NACUBO budgeting best practices • Surveying state systemwide budget presentations, formats and trends in higher education, and professional presentations • Gathering feedback from the Executive Budget Committee, Sjoberg/Evashenk and the Regents • Incorporating the CSA's recommended budget format in Figure 11 of the audit report

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	expenditures for the previous year. It should also include all its expenditures and identify changes to the discretionary and restricted reserves. The Office of the President should combine both the disclosed and undisclosed budget into one budget presentation.				<p>December EBC meetings will include reviews of UCOP FY2017-18 budgets, including activities and associated costs.</p> <p>The work group reviewed financial system functionality with partner UC campuses. UCOP awaits additional information from partner campuses before making a recommendation. New system solutions are expected to mitigate existing gaps between current capabilities and best practices, and include specific requirements to further adhere to the format presented in figure 11 of the CSA's report.</p>	<p>undisclosed budget— which the Office of the President presented to the regents as the strategic priority reserve in May of 2017—it used estimates from staff as opposed to financial data. Moreover, even though its 2016-17 vacancy rate was 15 percent, the Office of the President also built \$25.4 million in one-time salary savings back into the 2017-18 budget. In response to our audit, the Office of the President stated that its reserves stem from vacancies and other unexpected events that create one-time savings and that these are not permanent savings and cannot be used to support permanent expenditures. The Office of the President has consistently budgeted many more positions than it has actually filled. Since fiscal year 2013-14 the Office of the President's vacancy rate has been between 10 and 15 percent. While a small vacancy rate is reasonable, we have concerns because the Office of the President's high vacancy rates translate into recurring one-time savings that help to build its reserve. Our workforce planning recommendation should help the Office of the President better align its staff and lower its vacancy rate. The budget director stated that although the budget office made its best projections in the time available, it would not use the 2017-18 budget methods for future budgets.</p> <p>In November 2017, the Office of the President also failed to receive the regents' approval for a \$12 million increase in multi-year commitments paid for from its reserves and did not adequately describe its planned use of these funds. When asked by the regents, the budget director confirmed that the \$12 million increase in multi-year commitments was the result of increased costs for a number of projects that were originally added as placeholders in the Office of the President's May budget proposal. This was despite the Office of the President's claim in its May budget proposal that projects from the reserve undergo a rigorous review prior to consideration for final approval and funding by the President. Moreover, based on our review of the Office of the President's documents, a significant amount of these increased costs relate to information technology projects including updating its financial and budgeting systems. The director of budget and finance stated this increase was presented as an informational item—meaning the regents did not vote on the increase—because of time constraints related to other high priority items for the regents to consider at the November meeting. The chief operations officer stated the Office of the President did not seek approval for this spending because the numbers were still very preliminary. However, we believe the regents should approve the \$12 million increase and that the Office of the President should</p>	<ul style="list-style-type: none"> • Incorporating outcomes from other workstreams <p>The proposed prototype was reviewed with the Regents in March 2018 and is available here: http://regents.universityofcalifornia.edu/regmeet/mar18/f11.pdf . Per Attachment 4, the format was updated to include:</p> <ul style="list-style-type: none"> • A single item format • Operating and one-time expenses in one budget • A "Sources and Uses" schedule • Fee-For-Service and Pass-Through reporting • Budgets based on projected actuals • Fund restrictions designations • Cause of Change analysis • Strategic Priorities Fund budget that reflects commitments and an uncommitted allocation <p>A UCOP Budget Manual has been drafted and is being provided to the CSA that documents the policies, guidelines, procedures, and analyses associated with the annual budget process. The manual will be updated as improvements are made.</p> <p>UCOP is finalizing the FY18-19 budget for the May Regents meeting using the revised format. The April 25th CSA deadline precedes the submission of the budget to the Regents. UCOP has provided the CSA with documented budget formats, enhancements, supporting policies and guidelines, and will send CSA the item when it becomes available to the Regents.</p> <p>UCOP is making all feasible changes this year and planning improvements over the next two years as recommended by the CSA, including updates to BDS as a gap measure until a new financial and planning system is implemented. A roadmap for BDS replacement has been provided to the CSA.</p> <p>In reference to the CSA comment at 6 months about the \$12M change to the temporary budget from the November item, this was an error that was corrected in the March budget to actual item which reconfirmed that the FY2017-18 approved budget was \$39 million and that actuals to date were below the budget.</p>

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						<p>transparently present changes in funding for review by the Legislature, the regents, and the public.</p> <p>Because of our concerns with the accuracy and budget process that the Office of the President used, we have rated this recommendation as pending. For its 2018-19 budget, we expect the Office of the President to be able to better justify the numbers in its budget and the process it used to develop its budget. We also recommend that the Office of the President seek the regents' approval on the \$12 million increase in planned spending for multi-year commitments at the January 2018 regents meeting.</p>	
22	Continue to present a comprehensive budget based on the presentation in Figure 11 to the regents, the Legislature, and the public.	8.0 Clarify UCOP budget presentation	Not Fully Implemented	April 2019	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations.	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's adoption of our recommended budget format due April 2018.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2019</p> <p>Consistent with the update provided in recommendation 5, the Office of the President has incorporated CSA's recommended budget format for the FY2018-19 annual budget presentation and is charting a course for continuous improvement beyond this budget year.</p>
6	Increase opportunities for campus stakeholder input in the budget development process by reconvening the campus budget committee and establishing an agreed upon charter that describes the committee's scope, role, and protocol for reviewing and providing comments on the Office of the President's annual budget.	9.0 Improve UCOP budget process	Fully Implemented	April 2018	President Napolitano has reconvened and expanded the scope of the UCOP budget Executive Budget Committee (EBC). The EBC has completed its charter describing the committee's role and protocol for reviewing and providing input on the Office of the President's annual budget. In its critical advisory capacity to the President, the EBC consists of leaders from every campus, Academic Senate representatives, and UCOP leadership. The EBC met in August and September and plans to continue meeting regularly, with meetings occurring monthly for the remainder of 2017.	<p>Fully Implemented</p> <p>The Executive Budget Committee Charter (charter) establishes a process in which the Office of the President and campus representatives are engaged in the Office of the President budget process. Specifically, the charter requires the Executive Budget Committee (committee) to review, advise, and make recommendations to the President on the development of the Office of the President's budget including the budget process and presentation. The charter requires monthly meetings during the budget development process and the committee must report on its activities at least annually.</p>	<p>Fully Implemented Completion Date: October 2017</p> <p>No response required. CSA has already assessed this recommendation fully implemented.</p>

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21	Implement the best practices for budgeting identified by the GFOA and NACUBO, including developing budget policies and procedures and formally documenting, approving, and justifying all one-time and unexpected expenditure requests.	9.0 Improve UCOP budget process	Not Fully Implemented	April 2019	<p>Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations.</p> <p>Review of best practices has commenced. Some best practices were identified using NACUBO and will be incorporated with improvements in budget process and presentation.</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's adoption of our recommended budget format due by April 2018.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2019</p> <p>As part of the UCOP FY2018-19 budget process, the Office of the President made incremental improvements to its budget process, policies, and guidelines in order to support development of a best practice budget presentation. A summary of the processes and supporting guidelines are documented in the UCOP Budget Manual. Budget process best practice analysis is underway, and we anticipate full implementation of this recommendation in April 2019.</p>
32	Evaluate its budget process to ensure that it is efficient and has adequate safeguards that ensure that staff approve and justify all budget expenditures. If the Office of the President determines that its safeguards are sufficient, it should begin developing a multiyear budget plan.	9.0 Improve UCOP budget process	Not Fully Implemented	April 2020	<p>Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations.</p> <p>High-level financial system requirements analysis has included evaluation of new technology and the handling of process flows, financial controls and required resources. UCOP will require the functionality to complete multi-year budgets.</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's implementation of our budget recommendations due in April 2018 and April 2019.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2020</p> <p>Implementation of this recommendation will be dependent on actions taken in response to the April 2019 recommendations.</p> <p>The Office of the President currently relies on UCLA's financial systems and a budget planning and reporting tool (BDS) developed by UCOP. Budget and reporting needs have evolved, and the current BDS system, initially implemented for the FY2011-2012 budget, does not support new requirements consistent with best-practices or the recommendations of the California State Auditor.</p> <p>A project is underway to assess replacement of the Budget Development System to:</p> <ul style="list-style-type: none"> • support improved budgets that are clear, transparent, and comprehensive and align processes, presentations and financial systems to support this; • develop and document repeatable, best-practices processes supported by financial systems; and • broaden stakeholder involvement and continue developing multi-year strategic plans that are aligned

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							with the UC mission and the campuses. UCOP is addressing reporting and planning requirements to identify an efficient, cost effective way to partner with UCLA and/or another campus in implementation of a new system. Because system implementation projects are long, UCOP is also working to incrementally improve existing BDS functionality to satisfy requirements in the 2018-2020 timeframe. UCOP continues to explore options and will make a decision in the next few months on the long-term financial system solution after completing due diligence on project scope, functionality, timing and costs and reviewing options with stakeholders.
33	Report to the regents on the amount of funds it reallocated to campuses as a result of implementing our recommendations . (re: budget process)	9.0 Improve UCOP budget process	Not Fully Implemented	April 2020	Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations. The EBC charter includes the following specific language: "The Executive Budget Committee is accountable for ensuring that recommendations are consistent and aligned with the timely incorporation of the CSA audit budget requirements dated April 2017, as part of a transparent planning, resource allocation, and assessment process." As such, UCOP requires that the EBC provide campus-level input on future funding decisions.	Pending The status of this recommendation is pending the Office of the President's implementation of our budget recommendations due in April 2018 and April 2019.	Not Fully Implemented Estimated Completion Date: April 2020 Implementation of this recommendation will be dependent on actions taken in response to the April 2019 recommendations.
18	Develop and use a clear definition of systemwide initiatives and administration to ensure consistency in future budgets.	10.0 Define systemwide initiatives and establish budget targets	Fully Implemented	April 2018	The UCOP systemwide initiatives workgroup, supported by a team of subject-matter experts from the Academic Affairs division, has compiled a preliminary data set of UCOP systemwide programs and initiatives and formalized the categories for these items with clearly articulated definitions. The terms and definitions will be used to develop future budgets.	Pending The Office of the President's working documents shows that it has developed five definitions to establish and track statewide, systemwide, and campus initiatives and programs. According to the Office of the President's website, the President will review and approve these definitions in January 2018. Moreover, our recommendation indicates that the Office of the President should develop a definition of administration, but it has yet to do so. Thus, this recommendation is pending approval by the President of statewide, systemwide, and campus initiatives and programs in addition to the development and approval of a definition for	Fully Implemented Completion Date: March 2018 UCOP has completed its development of clear, mutually exclusive definitions to distinguish between the primary functional areas of the Office of the President: Central & Administrative Services and UCOP-affiliated Programs and Initiatives. Further, UCOP-affiliated Programs and Initiatives have been separated into five distinct categories including State/Federal Programs, Campus Programs, Systemwide Programs, Systemwide and Presidential Initiatives. All definitions were reviewed by the Executive Budget Council

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						administration.	<p>and the President prior to presentation to the Regents. These definitions will be applied to budgets moving forward.</p> <p>The definitions were reviewed by the Regents at the March 2018 Regents meeting in Item F9. http://regents.universityofcalifornia.edu/regmeet/mar18/f9.pdf</p> <p>An updated document with the same definitions plus additional context, including an expanded explanation of UC budget processes is being submitted to the CSA as part of this one year update.</p>
19	Develop a comprehensive list of systemwide initiatives and presidential initiatives, including their purpose and actual cost that will be used in the regents' meeting previously recommended.	10.0 Define systemwide initiatives and establish budget targets	Fully Implemented	April 2018	<p>The UCOP systemwide initiatives workgroup, supported by a team of subject-matter experts from the Academic Affairs division, has: (1) compiled a comprehensive data set of UCOP systemwide programs and initiatives, including individual purposes and costs, (2) formalized categories for these items along with their definitions, and (3) developed key attributes to assist with reporting. This documentation will be incorporated in future budgets.</p> <p>To respond to the timing of AB97, UCOP's effort to identify savings to be put towards its share of \$15M in funds for enrollment increases beginning in the 2018-19 academic year, the team used the data set of programs and initiatives. This documentation has been provided to key stakeholders (Executive Budget Committee, Council of Chancellors, Department of Finance and others) for consultation and evaluation to ensure UC will meet December 2017 deadlines for development of the State of California budget.</p>	<p>Pending</p> <p>The Office of the President provided us with a working list of 90 statewide, systemwide, and campus programs. The list includes a summary of each program, its stakeholders, and the funds used to support it. According to this document—which the Office of the President highlighted as a work in progress—the total 2017-18 Office of the President budget for initiatives and programs equals \$440 million. This total is \$32 million more than the amount approved by the regents. Since this list is a work in progress, it is possible that this discrepancy represents data entry errors; the Office of the President stated it is still validating data internally and with its campuses. By April, we expect these amounts to tie back to the budget approved by the regents or to be otherwise explained.</p> <p>Moreover, we also expect clarification on the status of presidential initiatives. The budget director informed us that through its review of statewide, systemwide, and campus programs UCOP has preliminarily determined that presidential initiatives generally fit into one of these categories. He stated that management had not determined how the Office of the President would define presidential initiatives or the status of the \$10 million allocated each year to the presidential initiative fund.</p>	<p>Fully Implemented Completion Date: April 2018</p> <p>UCOP completed a comprehensive review of the set of UCOP-affiliated programs and initiatives. A listing by category of these programs and initiatives, and their associated budget allocations, is included in the materials submitted to CSA as part of this one year update. Additionally, a more detailed summary of each program, including its purpose, its stakeholders, and the funds used to support it, is also included in the submitted materials.</p> <p>The finalized list of UCOP-affiliated programs and initiatives totals to \$410.9 million. This is a variance of 0.5% from the budget approved by the Regents.</p> <p>As requested by the CSA, UCOP reviewed the 6 month draft list of programs to address the identified variance of \$32 million identified by the CSA. The reconciliation schedule is included in the documentation submitted to the CSA and includes explanation of the variances.</p> <p>Finally, UCOP has provided a detailed description of the nine presidential initiatives in the materials submitted to the CSA. Each summary includes an overview of the origin, intent and activities of the initiative and includes funding commitments. UCOP will continue to use this category of programs as has been defined, but will be updating its process for funding these initiatives.</p>

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							Past budgets included a President's Initiative Fund (PIF) funded at \$9.8 million annually. This budget will be reduced \$2 million in FY2018-19 from \$9.8 million as part of the \$15 million redirection to fund additional enrollment growth. As part of the presentation to the Regents in March 2018 on Reserves (see recommendation #4), UCOP is eliminating the Temporary (One-Time) budget practice, establishing a Strategic Priorities Fund (SPF) and absorbing the President's Initiative Fund (PIF). The SPF is intended to be used to support presidential initiatives as well as other initiatives, projects and emergent needs requiring short-term funds. The fiscal impact of establishing the SPF is expected to be a budget reduction of short-term/temporary expenditures by approximately half the amount of previous years.
28	Establish spending targets for systemwide initiatives and administrative costs.	10.0 Define systemwide initiatives and establish budget targets	Not Fully Implemented	April 2019	<p>Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations and establishment of spending targets due April 2019.</p> <p>The Executive Budget Committee has been consulted on AB97 and is expected to continue to review the list of systemwide initiatives and programs, including establishment of targets by 2019.</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's development of a clear definition for systemwide initiatives and administration due April 2018 and its establishment of spending targets for systemwide initiatives and administrative costs due April 2019.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2019</p> <p>Spending targets are being set for programs, initiatives, and central administration as part of the FY18-19 UCOP budget process. The Office of the President will continue to develop and improve upon its efforts to establish spending targets and conduct program reviews, and will provide a status update on its progress at the next reporting milestone.</p>
29	Publish the results of the review of systemwide and presidential initiatives including any funds the Office of the President anticipates reallocating to the campuses.	10.0 Define systemwide initiatives and establish budget targets	Not Fully Implemented	April 2019	<p>Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations.</p> <p>The systemwide and presidential initiatives workgroup will develop reports to enhance transparency. The workgroup will continue to engage the Executive Budget Committee. The workgroup will determine review criteria and a frequency to periodically review items. Governance will be established to enable review and to facilitate prioritization and trade-off decisions, as needed. The workgroup will publish its results.</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's development of a comprehensive list of systemwide initiatives and presidential initiatives due April 2018.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2019</p> <p>The Office of the President published the results of the AB97 proposal to redirect \$15M to the campuses to fund additional undergraduate enrollment in FY18-19 which included reducing the funding for presidential initiatives by \$2M and other UCOP-budgeted programs by \$.5M.</p>

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30	Restructure budget and accounting systems to ensure the costs of the Office of the President can be clearly tracked and reported annually. Specifically, the budget and accounting systems should be able to distinguish between systemwide initiatives, presidential initiatives, and administrative costs.	10.0 Define systemwide initiatives and establish budget targets	Not Fully Implemented	April 2019	<p>Implementation of this recommendation will be dependent on actions taken in response to the April 2018 recommendations as well as dependencies that will be identified in the budget process workgroup.</p> <p>UCOP has begun exploring system improvements. UCOP is working with UCLA as the campus identifies a new financial system that includes general ledger and planning tools. We continue to explore the use of systems to effectively capture systemwide and presidential initiatives. Key requirements will also include improved budgeting, tracking and reporting on these projects.</p> <p>A key dependency for the timing of this item will include the UCLA or alternative campus system implementation, which has a 2- to 3-year timeline, independent of UCOP's control. Actual costs, dependent on commensurate accounting and financial system upgrades, are subject to the UCLA project timeline. UCOP has restructured its budget development system (BDS) to track and report budgeted costs to distinguish between those that are systemwide, presidential and administrative.</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's implementation of our budget, systemwide initiative, presidential initiative, and administrative cost recommendations due April 2018. The Office of the President's response implies that it will not be able to fully implement this recommendation on time because of difficulties in transferring to new systems. Upgrading the Office of the President's budget and accounting systems is very important because these systems affect its ability to present accurate and transparent data to the regents and the public. Because of the importance of this recommendation, the Office of the President needs to fully disclose the challenges it is facing and the impact that delays to system timelines will have on implementing this recommendation.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2019</p> <p>The Office of the President is working to implement incremental improvements to the existing BDS system to improve tracking, reporting and alignment to budgets. Plans for a new budget system have been initiated and a planning document has been submitted to the CSA along with this report.</p>
40	Publicly publish its progress in meeting systemwide initiative and administrative cost targets.	10.0 Define systemwide initiatives and establish budget targets	Not Fully Implemented	April 2020	<p>Implementation of this recommendation will be dependent on actions taken in response to the April 2018 and 2019 recommendations.</p> <p>Upon completion of this requirement, UCOP will identify the best, most appropriate way(s) to publish reports regarding systemwide and presidential</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's implementation of our systemwide initiative and administrative cost recommendations due April 2018 and April 2019.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2020</p> <p>Implementation of this recommendation will be dependent on actions taken in response to the April 2019 recommendations.</p>

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					initiatives, to further transparency of these efforts.		
41	Reallocate funds from the review of systemwide and presidential initiatives, as well as any administrative cost savings, to campuses.	10.0 Define systemwide initiatives and establish budget targets	Not Fully Implemented	April 2020	<p>Implementation of this recommendation will be dependent on actions taken in response to the April 2018 and 2019 recommendations.</p> <p>The Executive Budget Committee, consistent with its charter, will continue to serve in its campus-input role of making recommendations on resource allocations.</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's implementation of our systemwide initiative and presidential initiative recommendations due April 2018 and April 2019.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2020</p> <p>Implementation of this recommendation will be dependent on actions taken in response to the April 2019 recommendations.</p>
42	Report to the regents on the amount of funds reallocated to campuses. (re: systemwide initiatives)	10.0 Define systemwide initiatives and establish budget targets	Not Fully Implemented	April 2020	<p>Implementation of this recommendation will be dependent on actions taken in response to the April 2018 and 2019 recommendations. Furthermore, the UCOP resources available to fund these activities may depend on the outcome of other recommendations, including those relating to fund restrictions, budget process and reserves.</p> <p>The Executive Budget Committee, consistent with its charter, will continue to serve in its campus-input role of making recommendations on resource allocations.</p>	<p>Pending</p> <p>The status of this recommendation is pending the Office of the President's implementation of our systemwide initiative, administrative cost, and presidential initiative recommendations due April 2018 and April 2019. The impact of this recommendation will vary based on whether the Office of the President is funded via a direct appropriation from the state or the campus assessment in April 2020.</p>	<p>Not Fully Implemented Estimated Completion Date: April 2020</p> <p>Implementation of this recommendation will be dependent on actions taken in response to the April 2019 recommendations.</p>

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