

---

## Internal Audit Program Planning Report

---

# FY18 Annual Risk Assessment and Internal Audit Plan

Report No. SC-17-52  
May 2017

**Prepared by:**  
Barry Long, Director  
Audit & Management Advisory Services

**Endorsed by:**  
Risk Intelligence Oversight Committee

---

## Table of Contents

---

- I. SUMMARY .....3**
  
- II. ALLOCATION AND USE OF RESOURCES**
  - Schedule 1 – Personnel – Gross & Net Available Hours .....4
  - Schedule 2 – Activity Report – Distribution of Net Available Hours .....5
  
- III. PLAN DETAIL**
  - Schedule 3 - Internal Audit Plan Detail .....6
  - Schedule 3A - FY17 UCSC Internal Audit Plan Topic Description .....7
  - Schedule 3B - FY17 Audit Plan-Strategic Alignment.....9
  
- IV. INTERNAL AUDIT ANNUAL RISK ASSESSMENT / INTEGRATION WITH CAMPUS RISK INTELLIGENCE**
  - Table 1 – AMAS Risk Assessment Process .....10
  - Table 2 – AMAS Risk Assessment Factors and Scoring.....11
  
- V. APPENDICES**
  - APPENDIX A – Most Frequently Mentioned Topics – Audit Interviews .....12
  - APPENDIX B – Audit Risk Rating and Topics Addressed on Audit Plan.....13
  - APPENDIX C – UC Audit Universe .....14
  - APPENDIX D – List of Campus Leaders Interviewed by Position .....15

---

## I. SUMMARY

---

Audit & Management Advisory Services (AMAS) has completed its FY18 annual risk assessment and internal audit planning exercise, leading to the development of the FY18 Internal Audit Plan. This effort was coordinated with campus risk intelligence and compliance program efforts led by the Campus Ethics and Compliance officer, endorsed by the Risk Intelligence Oversight Committee (RIOC), and approved by the chancellor. This report provides a compilation of schedules, including:

- Allocation and Use of Resources
- Annual Audit Plan Detail
- Audit Plan Project Descriptions
- Project UC and Campus Strategic Alignment

**The following list of topics represents a summary of the campus FY18 Internal Audit Plan:**

### **Campus Planned Audits**

- Information Management of Sensitive Data - User Awareness and Use
- Succession Planning
- Vivarium Operations and Governance
- OPERS Diving and Boating Safety Program
- Divisional Carryforward/Deficit Management
- Independent Contractors
- Campus Use of Consultants
- Data Center - Amazon Web Services

### **Systemwide Requested Audits**

- Annual Report on Executive Compensation (AREC) - UC Systemwide
- Chancellor's Expenses - G-45, UC Systemwide
- Fair Wage/Fair Work - UC Systemwide
- Outside Professional Activities - UC Systemwide

### **Campus Planned and Requested Management Advisory Services/Consulting Services**

- Fraud Management Program - Data Analytics
- Spreadsheet Accuracy
- Data Governance Policy Development
- AMAS Audit Interviews and Risk Intelligence Governance
- NCAA Report Annual Review
- Student Intern Program

### **AMAS Participation on UC and Campus Advisory Groups**

- Campus Whistleblower/Investigations Workgroup
- Information Technology Security Committee
- UC Laboratory Contractor Assurance/Ethics and Audit Committee
- Campus Committees/Workgroups
- Limited Scope Consultations/Spec. Projects (Max 4 hours)

---

## II. ALLOCATION AND USE OF RESOURCES

---

Audit & Management Advisory Services (AMAS) is comprised of a director, three professional audit staff, and one senior administrative analyst. Professional staffing resources are allocated as follows:

**Schedule 1 - Personnel** – Gross & Net Available Hours, outlines the net available hours dedicated to the UCSC internal audit program.

FY 2018 Audit Plan - Schedules 1 & 2 UCSC						
Schedule 1 - Personnel Gross & Net Available Hours Calculation	Total Year FTE's	1st Quarter 9/30/2017	2nd Quarter 12/31/2017	3rd Quarter 3/31/2018	4th Quarter 6/30/2018	Lab 9/30/2018
Number of authorized professional staff	4.00	4.00	4.00	4.00	4.00	
Number of permanently <u>OPEN</u> authorized professional staff positions		0.00	0.00	0.00	0.00	
Number of professional positions at full staffing	4.00	4.00	4.00	4.00	4.00	0.00
<b>PLANNED ACTUAL FTEs</b>						
Beginning of Period	4.00	4.00	4.00	4.00	4.00	-
Additions--Permanent	0.00	0.00	0.00	0.00	0.00	
Additions--Temporary	0.00	0.00	0.00	0.00	0.00	
Departure --Within UC	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	
Departure--Outside UC	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	
Retirements	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	
Long-Term Leave	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	
Estimated Turnover	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	
End of Period	4.00	4.00	4.00	4.00	4.00	0.00
<b>GROSS &amp; NET AVAILABLE HRS CALCULATION</b>						
Weighted Avg. FTE's	4.00	4.00	4.00	4.00	4.00	
Hours in the period - Campus	2,080	520	520	520	520	
Hours in the period - Lab	0					0
<b>Subtotal - Lab / Campus</b>	<b>8,320</b>	<b>2080</b>	<b>2080</b>	<b>2080</b>	<b>2080</b>	<b>0</b>
Other Resources:						
Overtime	0					
Contract Labor/Interns	150	150				
Recharge In (or Out)	0					
Admin. & Other	0					
<b>Subtotal</b>	<b>150</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Gross Available Hours</b>	<b>8,470</b>	<b>2230</b>	<b>2080</b>	<b>2080</b>	<b>2080</b>	<b>0</b>
<b>Non Controllable Hours</b>	<b>1,488</b>	<b>316</b>	<b>498</b>	<b>370</b>	<b>304</b>	
<b>Non Controllable Hours Percent</b>	<b>17.57%</b>	<b>14.17%</b>	<b>23.94%</b>	<b>17.79%</b>	<b>14.62%</b>	<b>-</b>
<b>Net Available Hours</b>	<b>6,982</b>	<b>1914</b>	<b>1582</b>	<b>1710</b>	<b>1776</b>	<b>0</b>

**Schedule 2 – Activity Report** – Distribution of net available hours, outlines the allocation of hours to direct and indirect categories.

Schedule 2 - Activity Report Distribution of Net Available Hours	Total Year Hours	1st Quarter 9/30/2017	2nd Quarter 12/31/2017	3rd Quarter 3/31/2018	4th Quarter 6/30/2018	Lab 9/30/2018
<b>INDIRECT HOURS</b>						
Administration	795	200	195	200	200	
Professional Development	200	50	50	50	50	
Other	0	0	0	0	0	
<b>Total Indirect Hours</b>	<b>995</b>	<b>250</b>	<b>245</b>	<b>250</b>	<b>250</b>	<b>0</b>
<b>Total Indirect Percent</b>	<b>14.24%</b>	<b>13.07%</b>	<b>15.48%</b>	<b>14.62%</b>	<b>14.07%</b>	<b>-</b>
<b>DIRECT HOURS</b>						
<b>Audit Program</b>						
Prior Year Audits Not Completed, DNF	0	0	0	0	0	
Planned New Audits, PN	3,415	1087	605	796	927	
Supplemental Audits, PS	135	35	30	35	35	
Audit Follow up, PNF	125	30	30	30	35	
<b>Total Audit Program Hours</b>	<b>3,675</b>	<b>1152</b>	<b>665</b>	<b>861</b>	<b>997</b>	<b>0</b>
<b>Total Audit Program Percent</b>	<b>52.64%</b>	<b>60.19%</b>	<b>42.04%</b>	<b>50.35%</b>	<b>56.14%</b>	<b>-</b>
<b>Advisory Services</b>						
Consultations/Spec. Projects, SC	1,477	365	445	357	310	
Ext. Audit Coordination, SE	38	8	10	10	10	
Internal Control & Accountability, SI	1	1	0	0	0	
IPA, COI & Other, SP	1	1	0	0	0	
Compliance Support, SU	40	10	10	10	10	
Systems Dev., Reengineering Teams, etc., SR	16	4	4	4	4	
<b>Total Advisory Services Hours</b>	<b>1,573</b>	<b>389</b>	<b>469</b>	<b>381</b>	<b>334</b>	<b>0</b>
<b>Total Advisory Services Percent</b>	<b>22.53%</b>	<b>20.32%</b>	<b>29.65%</b>	<b>22.28%</b>	<b>18.81%</b>	<b>-</b>
<b>Investigations Hours, IN</b>	<b>407</b>	<b>33</b>	<b>93</b>	<b>138</b>	<b>143</b>	<b>-</b>
<b>Investigations Percent</b>	<b>5.83%</b>	<b>1.72%</b>	<b>5.88%</b>	<b>8.07%</b>	<b>8.05%</b>	<b>-</b>
<b>Audit Support Activities</b>						
Audit Planning	90	30	40	20	0	
Audit Committee Support	50	10	20	10	10	
Systemwide Audit Support	190	50	50	50	40	
Computer Support	1	0	0	0	1	
Quality Assurance	1	0	0	0	1	
<b>Total Audit Support Hours</b>	<b>332</b>	<b>90</b>	<b>110</b>	<b>80</b>	<b>52</b>	<b>0</b>
<b>Total Audit Support Percent</b>	<b>4.76%</b>	<b>4.70%</b>	<b>6.95%</b>	<b>4.68%</b>	<b>2.93%</b>	<b>-</b>
<b>Total Direct Hours</b>	<b>5,987</b>	<b>1664</b>	<b>1337</b>	<b>1460</b>	<b>1526</b>	<b>0</b>
<b>Total Direct Percent</b>	<b>85.76%</b>	<b>86.93%</b>	<b>84.52%</b>	<b>85.38%</b>	<b>85.93%</b>	<b>-</b>
<b>Total Net Available Hours</b>	<b>6,982</b>	<b>1914</b>	<b>1582</b>	<b>1710</b>	<b>1776</b>	<b>0</b>
<b>Total Net Available Percent</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Schedule 1,2 - Cross Check	Total Year Hours	1st Quarter 9/30/2017	2nd Quarter 12/31/2017	3rd Quarter 3/31/2018	4th Quarter 6/30/2018	Lab 9/30/2018
Total net available hours (From Sch 1)	6982.00	1914.00	1582.00	1710.00	1776.00	0.00
Total net available hours (From Sch 2)	6982.00	1914.00	1582.00	1710.00	1776.00	0.00
<b>Total A+AS+IN (Scd 3 Check)</b>	<b>5655</b>	<b>1574</b>	<b>1227</b>	<b>1380</b>	<b>1474</b>	<b>0</b>
Actual FTEs, End of Period (Check down)	4.00	4.00	4.00	4.00	4.00	0.00
Avail. Hours, Other Res., Subtotal (Check Down)	150	150	0	0	0	0
Gross Available Hours	8470	2230	2080	2080	2080	0
Net Available Hours	6982	1914	1582	1710	1776	0
Indirect Hours	995	250	245	250	250	0
<b>Audit Program</b>	<b>3675</b>	<b>1152</b>	<b>665</b>	<b>861</b>	<b>997</b>	<b>0</b>
<b>Audit Support Activities</b>	<b>332</b>	<b>90</b>	<b>110</b>	<b>80</b>	<b>52</b>	<b>0</b>
<b>Investigations Hours</b>	<b>407</b>	<b>33</b>	<b>93</b>	<b>138</b>	<b>143</b>	<b>0</b>
<b>Advisory Services</b>	<b>1573</b>	<b>389</b>	<b>469</b>	<b>381</b>	<b>334</b>	<b>0</b>
Total Direct Hours	5987	1664	1337	1460	1526	0
Net Available Hours	6982	1914	1582	1710	1776	0

**III. PLAN DETAIL**

**Schedule 3 – Internal Audit Plan Detail** – Provides a list of the Planned Audits and Planned Advisory Services, identifying information, and planned hours.

UNIVERSITY OF CALIFORNIA INTERNAL AUDIT PLAN DETAIL FY 2018 UCSC							SCHEDULE 3		
FY	LOB	LOC	Prj Code	Proj No.	Name/Title of Audit	Planned Hours	Primary Index Code	Est. Qtr Completion	
<b>Prior Year Audits Not Completed (DNFs):</b>									
FY18	Campus	SC	DNF			0			
<b>(a) Subtotal - Planned Carry Forward</b>						0			
<b>Planned New Audits (PNs):</b>									
FY18	Campus	SC	PN	18-01	Information Management of Sensitive Data - User Awareness and Use	420	G.a.01	Q3	
FY18	Campus	SC	PN	18-02	Succession Planning	430	N.e.05	Q3	
FY18	Campus	SC	PN	18-03	Vivarium Operations and Governance	367	E.b.02	Q2	
FY18	Campus	SC	PN	18-04	OPERS Diving and Boating Safety Program	325	I.b.03	Q1	
FY18	Campus	SC	PN	18-05	AREC - UC Systemwide	180	J.b.06	Q3	
FY18	Campus	SC	PN	18-06	Chancellor's Expenses - G-45, UC Systemwide	180	F.a.01	Q3	
FY18	Campus	SC	PN	18-07	Divisional Carryforward/Deficit Management	455	F.a.02	Q3	
FY18	Campus	SC	PN	18-08	Independent Contractors	353	J.b.05	Q3	
FY18	Campus	SC	PN	18-09	Campus Use of Consultants	350	J.b.03	Q3	
FY18	Campus	SC	PN	18-10	Data Center - Amazon Web Services	200	G.b.07	Q4	
FY18	Campus	SC	PN	18-11	Fair Wage/Fair Work - UC Systemwide	100	E.d.04	Q4	
FY19	Campus	SC	PN	18-12	Outside Professional Activities - UC Systemwide	55	N.h.01	Q4	
<b>(b) Subtotal - Planned New Audits</b>						3415			
FY18	Campus	SC	PS		<b>(c) Planned Supplemental Audits (lump sum)</b>	135			
FY18	Campus	SC	PNF		<b>(d) Audit Follow Up (lump sum)</b>	125			
<b>Total Planned Audit Program (a+b+c+d) <sup>(1)</sup></b>						3675			
<b>Planned Advisory Services:</b>									
FY18	Campus	SC	SC	18-50	Fraud Management Program - Data Analytics	318	N.c.03	Q4	
FY18	Campus	SC	SC	18-51	Spreadsheet Accuracy	172	N.d.03	Q4	
FY18	Campus	SC	SC	18-52	Data Governance Policy Development	330	G.a.02	Q2	
FY18	Campus	SC	SC	18-53	AMAS Audit Interviews and Risk Intelligence Governance	90		Q4	
FY18	Campus	SC	SC	18-54	NCAA Report Annual Review	80	M.a.01	Q3	
FY18	Campus	SC	SC	18-55	Student Intern Program	150		Q4	
FY18	Campus	SC	SC		BAS Support	40			
FY18	Campus	SC	SC		Investigation Workgroup	40			
FY18	Campus	SC	SC		ITSC Committee	40			
FY18	Campus	SC	SC		UC Laboratory Audit Committee Support	80			
FY18	Campus	SC	SC		Campus Committees/Workgroups (non BAS)	20			
FY18	Campus	SC	SC		Limited Scope Consultations/Spec. Projects (Max 4 hours)	117			
<b>(e) Subtotal - Planned Advisory Services</b>						1477			
<b>Unplanned Advisory Services (by Category) <sup>(2)</sup></b>									
FY18	Campus	SC	SE		External Audit Coordination (SE)	38			
FY18	Campus	SC	SI		Internal Control & Accountability (CRSA) (SI)	1			
FY18	Campus	SC	SP		California Information Practices Act (IPA), Conflict of Interest (COI) & Oth	1			
FY18	Campus	SC	SU		Compliance Support (SU)	40			
FY18	Campus	SC	SR		Systems Development, Reengineering Teams (SR)	16			
<b>(f) Subtotal - Unplanned Advisory Services</b>						96			
<b>Total Advisory Services (e+f) <sup>(1)</sup></b>						1573			
FY18			IN		<b>Planned Investigation Hours (lump sum)</b>	407			
<b>Total Audits, Advisory Services, and Investigations</b>						5655			
<sup>(1)</sup> Must tie with Audit Program and Advisory Services on Schedule 2 Activity Report									
<sup>(2)</sup> enter lump sums for each applicable AS category (i.e. - SC, SE)									

**Schedule 3A – FY17 UCSC Internal Audit Plan Topic Description** – Provides a brief description outlining the topic and initial purpose statement, subject to revision.

<b>Planned Internal Audits</b>	
Project Number - Title of Project / Purpose Statement	
<b>SC-18-01</b>	<b>Information Management of Sensitive Data - User Awareness and Use</b> To determine the level of awareness for using, transmitting, and storing manual and electronic data containing various levels of sensitivity.
<b>SC-18-02</b>	<b>Succession Planning</b> To evaluate the effectiveness of campus succession planning efforts for ensuring the transfer of critical job functions and responsibilities when employees leave the campus or transfer out of a campus unit.
<b>SC-18-03</b>	<b>Vivarium Operations and Governance</b> To evaluate the effectiveness of vivarium program operations and governance.
<b>SC-18-04</b>	<b>OPERS Diving and Boating Safety Program</b> To review and assess the adequacy of the OPERS diving and boating program.
<b>SC-18-05</b>	<b>AREC - UC Systemwide</b> Systemwide requested topic - To review and evaluate the completeness and accuracy of the Annual Report of Executive Compensation (AREC).
<b>SC-18-06</b>	<b>G-45 UC Systemwide</b> Systemwide requested topic - To determine compliance with two financial reports on chancellor's expenses, required by UC Business Finance Bulletin (BFB) G-45.
<b>SC-18-07</b>	<b>Divisional Carryforward/Deficit Management</b> To review and evaluate the appropriateness of divisional resource management practices over accumulated carryforward/deficit balances including the appropriate use of interfund transfers, transfers of expenses, and outstanding and recurring journal vouchers.
<b>SC-18-08</b>	<b>Independent Contractors</b> Evaluate the adequacy of controls and determine the appropriateness of the campus use of independent contractors.
<b>SC-18-09</b>	<b>Campus Use of Consultants</b> Identify the level of use and evaluate the appropriateness of services provided through consultant agreements/contracts.
<b>SC-18-10</b>	<b>Data Center - Amazon Web Services</b> In consultation with UCOP ECAS Cyber Security Audit Services, review the adequacy of controls over enterprise systems migrated to Amazon Web Services IT Cloud.
<b>SC-18-11</b>	<b>Fair Wage/Fair Work - UC Systemwide</b> Systemwide requested topic - To review compliance with UC Fair Wage/Fair Work plan.
<b>SC-18-12</b>	<b>Outside Professional Activities (OPA) - UC Systemwide</b> Systemwide requested topics - To follow-up with individuals included on the campus OPA report for further clarification and assurance on compliance with applicable policy.

<b>Management Advisory/Consultation Services</b>	
Project Number - Title of Project / Purpose Statement	
<b>SC-18-50</b>	<p><b>Fraud Management Program - Data Analytics</b>                      To identify transactions that have a high risk of fraud or potential for non-compliance with UC policy and local campus procedures and test transactions for non-compliance or significant change over the prior year.</p>
<b>SC-18-51</b>	<p><b>Spreadsheet Accuracy</b>                      Test the accuracy of information contained in excel workbooks used by campus units for reporting out on financial information or performance statistics.</p>
<b>SC-18-52</b>	<p><b>Data Governance Policy Development</b>                      To work with campus constituents on the understanding and development of campus data governance strategy and principals, and assess the current practices</p>
<b>SC-18-53</b>	<p><b>AMAS Audit Interviews and Risk Intelligence Governance</b>                      Conduct the annual audit interviews as part of annual risk assessment exercise. Integrate risk themes identified from campus senior level interviews with campus risk intelligence governance committees.</p>
<b>SC-18-54</b>	<p><b>NCAA Report Annual Review</b>                      Limited scope review to confirm the accuracy of the financial data included in the OPERS NCAA Equity in Athletics Data Analysis (EADA) Report for Fiscal Year 2018.</p>
<b>SC-18-55</b>	<p><b>Student Intern Program</b>                      Administer the AMAS student intern program providing up to two students per quarter, course credit learning about internal auditing and working hands on projects with professional audit staff.</p>



**Schedule 3B – FY17 Audit Plan-Strategic Alignment**

<b>Project</b>	<b>Strategic Initiative</b>	<b>System-wide or Campus</b>	<b>How does this Project Help Support this Strategic Initiative?</b>
Information Management of Sensitive Data - User Awareness and Use	Regents Identity and Reputation	Systemwide/ Campus	Addresses user awareness of and security over sensitive information and helps protect against unauthorized access or release of data that could be used to harm the reputation of University or Campus.
Succession Planning	Balanced Operations	Campus	Addresses practices in place to prevent inappropriate access to data and systems, and continuity of operations when management and staff leave UC employment.
Vivarium Operations and Governance	Research Infrastructure Balanced Operations	Campus	Supports the research infrastructure by helping ensure the Vivarium is operating in compliance with related federal and state regulations, and governance processes are in place to allow for effective and efficient operations.
OPERS Diving and Boating Safety Program	Student Success and Safety Regents Identity and Reputation	Systemwide/ Campus	Supports student success by providing assurances over practices in place to ensure the safety of students and staff. Helps avoid injury or loss of life, and protects UC reputation.
AREC - UC Systemwide	Regents Identity and Reputation	Systemwide/ Campus	Provides assurances to the Regents that Executive Compensation complies with policy and is appropriately managed. Helps avoid the reputational harm that could occur if there was an overage in funding provided to campus executives.
G-45 UC Systemwide	Regents Identity and Reputation	Systemwide/ Campus	Provides assurances to the Regents that Chancellor’s expenses are used appropriately. Helps avoid the reputational harm that could occur if funds were out of compliance with policy.
Divisional Carryforward/Deficit Management	Balanced Operations	Campus	Addresses the appropriateness and effectiveness of management practices over campus divisional resources.
Independent Contractors	Identity and Reputation Balanced Operations	Systemwide/ Campus	Addresses appropriate use of independent contractors and helps avoid the reputational harm that could occur if the campus did not comply with federal guidelines and UC/UCSC policies.
Campus Use of Consultants	Balanced Operations	Campus	Addresses extent and appropriateness of use of consultants and contributes to better understanding of campus needs and opportunities for balanced operations.
Data Center - Amazon Web Services	Presidents Cybersecurity Initiative/Identity and Reputation	Systemwide/ Campus	Assesses security controls over campus enterprise data migrated from the on-site Data Center to the cloud providing assurances and contributing to a better understanding and identification of the campus cybersecurity posture.
Fair Wage/Fair Work - UC Systemwide	UC Presidents Office - Fair Wage/Fair Pay Plan	Systemwide	Provides assurances to UC Presidents Office that Fair Wage/Fair Work Plan has been implemented
Outside Professional Activities - UC Systemwide	Regents Identity and Reputation	Systemwide	Provides assurances to the Regents that chancellor’s expenses are used appropriately. Helps avoid the reputational harm that could occur if funds were out of compliance with policy.

**IV. INTERNAL AUDIT RISK ASSESSMENT / INTEGRATION WITH CAMPUS RISK INTELLIGENCE**

The internal audit risk assessment is an annual and on-going predictive risk based exercise established to identify concerns and potential risk areas to be considered for inclusion in the annual audit plan and as a source of campus risk intelligence gathering. It is relied upon by senior campus leadership as an independent perspective on potential areas of campus risk. Refer to Table 1- AMAS Risk Assessment Process below.

Risk topics were coordinated with campus risk intelligence and compliance program efforts and considered for inclusion on the risk intelligence priority list maintained by the Campus Ethics and Compliance Officer (CECO). The Campus Risk Intelligence Oversight Committee provides mitigation strategies on key risk priority areas and topics including recommendations for which topics could be included in the audit plan. (Refer to Appendix A and Appendix B).

The approach as prescribed by the UC Internal Audit Program begins with the UC audit risk universe consisting of over 180 campus entities and processes. (Refer to Appendix C). Each audit risk universe topic is risk ranked and scored using UC audit risk factors. Refer to Table 2 - Risk Assessment Factors and Scoring. Input into the process includes consideration of themes and concerns generated from more than 55 interviews conducted with campus leaders. (Refer to Appendix A).

The proposed FY 2018 internal audit plan was endorsed Risk Intelligence Oversight Committee for review and endorsement, and forwarded to the chancellor for final approval.

Table 1- AMAS Risk Assessment Process

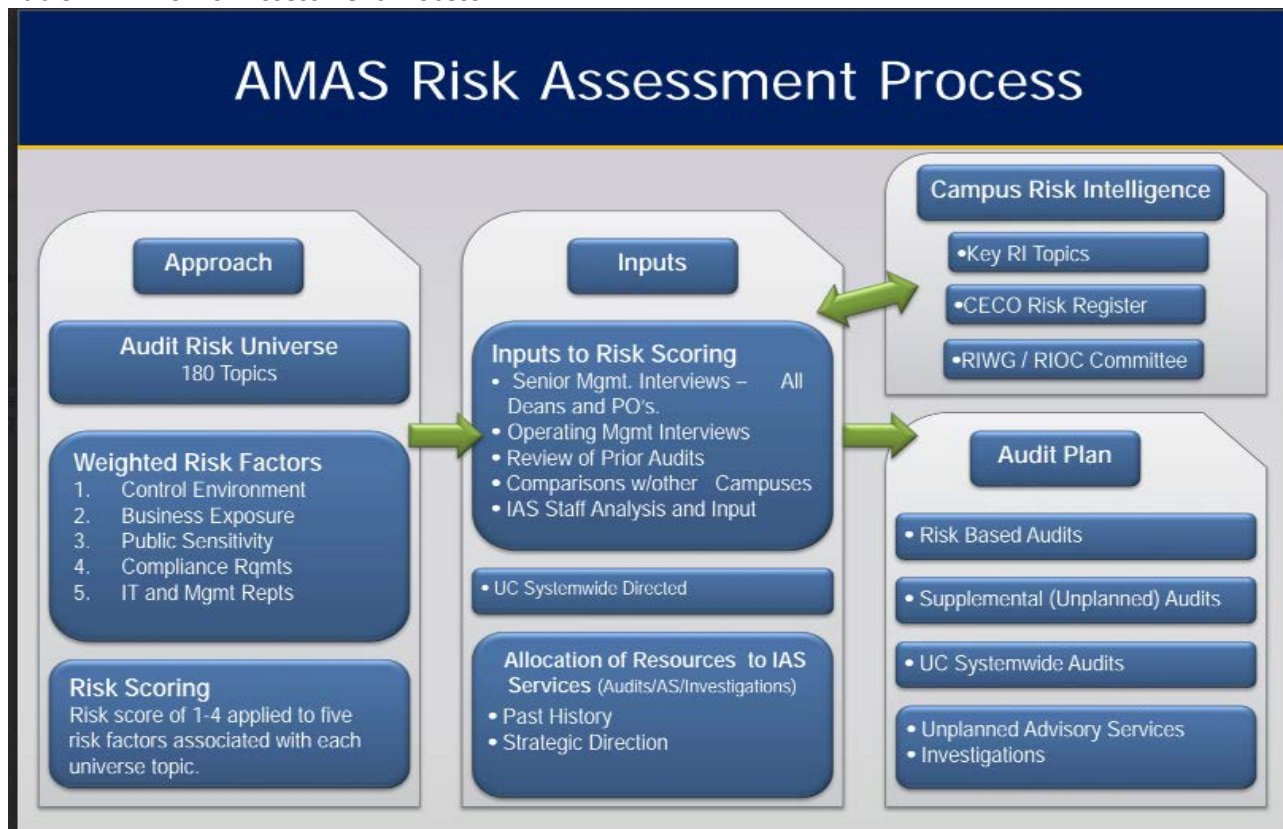


Table 2 – AMAS Risk Assessment Factors and Scoring

# AMAS Risk Assessment Factors and Scoring

See following pages for detailed text below

Quality and Stability  
60 (30%)



Business Exposure  
50 (25%)



Public and Political Sensitivity  
30 (15%)



Compliance Requirements  
20 (10%)



Information Technology and Management Reporting  
10 (20%)



**UCSC FY17 Master Scoring Worksheets and Organizational Hierarchy**

Index	Universe	60 Quality and Stability	50 Business Exposure	30 Public and Political	20 Compliance Requirements	40 Information Technology	Calculated Score	Potential audit topics
G.a.01 T3	G.a.01. Privacy/Security	3	3	3	2	2	540	1. Distributed User Authentication 2. End Point Security (Big Fix) 3. Data Privacy Awareness 4. Laptop security on Campus
N.a.01 T3	N.a.01. Strategic Plan	3	3	3	2	2	540	Strategic Vision and Engagement in Silicon Valley/NAMS Contract
H.f.01 T3	H.f.01. Business Contracts	3	3	2	3	2	530	1. Use of Independent Contractor 2. Revenue Generating Opportunities 3. Contracting for Academic Services 4. Use of Consultants

**Available upon request**

APPENDIX A – Most Frequently Mentioned Topics – Audit Interviews

APPENDIX B – Audit Risk Rating and Topics Addressed on Audit Plan

APPENDIX D – List of Campus Leaders Interviewed by Position

**APPENDIX C – UC Audit Universe**

<b>A Academic Units and Programs</b>	C.f.04 Other Monitoring activities	G.b.05 Operations	K.b.03 Utilities
A.a Academic Affairs & Support	<b>D Office of the President</b>	G.b.06 Support	K.b.04 Deferred Maintenance
A.a.01 Academic Affairs & Support	D.a Academic Affairs	G.b.07 Enterprise Security	<b>L Development &amp; External Relations</b>
A.b Departments / Principal Administrative Units	D.a.01 Immediate Office (Provost)	G.b.08 Disaster Recovery	L.a Development
A.b.01 Departments / Principal Administrative Units / Tier 3	D.a.02 California Digital Library	<b>H Financial Management</b>	L.a.01 Administrative Funds
A.b.02 Libraries	D.a.03 UC Center Sacramento	H.a Receivables	L.a.02 Endowment Administration
A.c Programs	D.a.04 UC Online	H.a.01 Student Receivables	L.a.03 Foundations
A.c.01 Graduate Extended Studies	D.a.05 UC Press	H.a.02 Miscellaneous Receivables	L.a.04 Alumni
A.c.02 Summer Session	D.a.06 UC Washington Center (UCDC)	H.b Cash Management	L.a.05 Fund Raising and Gift Processing
A.c.03 University Extension	D.a.07 UCTV	H.b.01 Bank Account Administration and Reconciliation	L.a.06 Support Groups
A.c.04 Global Engagement	D.a.08 Education Partnerships	H.b.02 Cashiering/Sub Cashiering	L.a.07 Gift Administration
A.c.05 Online Education	D.a.09 Institutional Research	H.b.03 Cash Forecasting	L.a.08 Affiliated Groups
A.c.06 Self Supporting Academic Programs	D.a.10 Academic Planning	H.c Disbursements	<b>L.b External Relations</b>
A.d Outreach	D.a.11 Graduate Studies	H.c.01 Accounts Payable	L.b.01 Brand Management
A.d.01 Outreach Program(s)	D.a.12 Natural Reserve System	H.c.02 Check Requests	L.b.02 Government / Public Relations
<b>B Healthsciences Operations</b>	D.a.13 Research Grants Program Office	H.c.03 Entertainment	L.b.03 Industry Relations
B.a Admissions, Registration and Scheduling	D.a.14 MultiCampus Research	H.c.04 Travel	<b>M Auxiliary, Business, &amp; Employee Support Services</b>
B.a.01 Admissions, Registration and Scheduling	D.b Agriculture and Natural Resources	H.c.05 Electronic Funds Transfer	M.a Auxiliary Services
B.b Ancillary Services	D.b.01 Administration	H.d Financial Reporting / Accounting	M.a.01 Athletics
B.b.01 Laboratories	D.b.02 Agriculture Experiment Station	H.d.01 General Ledger/Balance Sheet acct rec	M.a.02 Bookstore/Employee Store
B.b.02 Laundry	D.b.03 Cooperative Extension	H.d.02 Sub Ledger Systems	M.a.03 Museums
B.b.03 Medical Records	D.b.04 County Offices	H.d.03 Tax Accounting	M.a.04 Parking
B.b.04 Pharmacy	D.b.05 Research and Extension Centers	H.d.04 Endowment Accounting	M.a.05 Storehouse
B.b.05 Radiology	D.b.06 Statewide Programs	H.e Payroll	M.a.06 University Events and Services
B.b.06 Tissue Bank	D.c Systemwide Human Resources	H.e.01 Payroll Processing	M.a.07 Hotels
B.b.07 Respiratory Therapy	D.c.01 Pension and Retirement Programs	H.e.02 Honoraria	M.a.08 Catering and Retail Food Services
B.b.08 Rehabilitation Services	D.c.02 Retirement Administration Service Center	H.e.03 Employee Eligibility	<b>M.b Business Services</b>
B.b.09 Dietary Services	D.d Systemwide Finance	H.e.04 Time Reporting	M.b.01 Conference Administration
B.b.10 Other Ancillary services	D.d.01 Capital Markets Finance	H.f Procurement	M.b.02 Continuing Education
B.c Clinics	D.d.02 Banking and Treasury Services	H.f.01 Business Contracts	M.b.03 Faculty and University Clubs
B.c.01 Hospital Based Clinics	D.d.03 Loan Programs	H.f.03 Low Value Purchase Orders /Purchasing Cards	M.b.04 Fleet Management
B.c.02 Physician Based Clinics	D.e Chief Investment Officer of the Regents	H.f.04 Purchase Orders	M.b.05 Mail Services
B.d Compensation Plan	D.e.01 Investment Management	H.f.05 E-procurement	M.b.06 Printing,Graphics and Photo
B.d.01 Compensation Plans	D.e.02 Investment Risk Management	H.g Property Management	<b>M.c Employee Support Services</b>
B.e Departments	D.e.03 Investment Services	H.g.01 Fabrication/Construction Accounting	M.c.01 Child Care
B.e.01 Departments / Tier 3	D.e.04 Operations and Accounting	H.g.02 Personal Property	M.c.02 Staff Assistance Program
B.f Managed Care	D.f Health Sciences and Services	H.g.03 Real Property/Leases	M.c.03 Commuter Assistance Programs
B.f.01 Affiliated Agreements	D.f.01 Immediate Office	H.g.04 Equipment Leases	M.c.04 Faculty and Staff Housing
B.f.02 Claim Adjudication	D.f.02 California Health Benefits Review Program	H.g.05 Major Supplies Management	<b>N Governance</b>
B.f.03 Contracts	D.f.03 Health Sciences and Services Strategy	H.h Third Party Relationships	N.a Strategy and Direction
B.g Medical/Surgical Services	D.f.04 Healthcare Operations and Technology Services	H.h.01 Conflict of Interest/Conflict of Commitment	N.a.01 Strategic Plan
B.g.01 Emergency and Trauma	D.f.05 UC Center for Health Quality and Innovation	H.h.02 Joint Ventures / MOUs/ Partnerships/Affiliations	N.a.02 Academic Plan
B.g.02 Nursing	D.g Laboratory Management	H.h.03 Technology Transfer	N.a.03 Long Range Development
B.g.03 Surgical Operations	D.g.01 Laboratory Management Office	H.i Recharge Activities	<b>N.b Organizational Management/Structure</b>
B.g.04 Solid Organ Transplants	D.h President	H.i.01 Recharge	N.b.01 Governing Committees
B.g.05 Tissue Transplants	D.h.01 President's Executive Office	<b>I Risk, Environment, and Safety</b>	N.b.02 Diversity, Equity and Inclusion
B.h Medical Staff Administration	D.i Secretary of The Regents	I.a Insurable Risks	N.b.03 Operating Principles/Principles of Community
B.h.01 Medical Staff Administration	D.i.01 Coordination and Review	I.a.01 General Liability	<b>N.c Compliance and Accountability</b>
B.i Medical Billing and Receivables	D.i.02 Regents Budget Process	I.a.02 Medical Malpractice	N.c.01 Enterprise Risk Management
B.i.01 Hospital Receivables	D.i.03 Reports to the Legislature	I.a.03 Third Party Administrator	N.c.02 Ethics Program
B.i.02 MediCare Cost Reports	<b>E Research</b>	I.a.04 Workers Compensation	N.c.03 Fraud Risk Management
B.i.03 Physician Receivables	E.a Research Compliance	I.a.05 Self Insurance Programs	N.c.04 Continuity
B.j Housestaff Residents	E.a.01 Research Integrity	I.a.06 Property Insurance	N.c.05 Delegations of Authority
B.j.01 Housestaff Training	E.a.02 Research Conflict of Interest	I.b Health and Safety	N.c.06 Policy Management
B.k Donated Body Program	E.a.03 Export Controls	I.b.01 Controlled Substances	N.c.07 Legal Counsel
B.k.01 Donated Body Program	E.a.04 Clinical Research	I.b.02 Hazardous Materials	N.c.08 Conflict of Interest/Conflict of Commitment
B.l Compliance	E.b Research Subject Protection	I.b.03 Safety Programs	N.c.09 Ombuds
B.l.01 Hospital/Facility	E.b.01 Human Subjects protection	I.b.04 Select agents	N.c.10 Compliance Program
B.l.02 Home Health	E.b.02 Animal Subjects protection	<b>Lc Public Safety</b>	<b>N.d Communication</b>
B.l.03 Laboratories	E.b.03 Clinical Trials	L.c.01 Fire Safety	N.d.01 Management Reports
B.l.04 Pro Fee Billing	E.c ORU's/Institutes/MRU	L.c.02 Police	N.d.02 Internal Communication
<b>C Lab Research Programs &amp; Processes</b>	E.c.01 ORU's/Institutes/MRU / Tier 3	L.d Emergency Management	N.d.03 External Communication
C.a Major Programs	E.d Contracts & Grant	L.d.01 Emergency Preparedness Planning	<b>N.e Performance Monitoring</b>
C.a.01 Defense and Nuclear Technology	E.d.01 Pre Award	L.d.02 Emergency Response	N.e.01 Monitoring - Compliance
C.a.02 Laser Technology	E.d.02 Post Award	L.d.03 Emergency Recovery	N.e.02 Monitoring - Financial
C.a.03 Threat Reduction (Nonproliferation)	E.d.03 Extramural Fund Accounting	<b>Le Environment</b>	N.e.03 Monitoring - Operational
C.a.04 Homeland Security	E.d.04 Sub award administration	Le.01 Sustainability	N.e.04 Monitoring - Strategic
C.b Scientific Disciplines	E.d.05 Disclosure Statements	Le.02 Hazardous Waste	N.e.05 Change Management
C.b.01 Computing Sciences	E.d.06 Effort Reporting	<b>J Human Resources &amp; Benefits</b>	N.e.06 External Reviews
C.b.02 Physical Sciences	E.d.07 Facilities and Administrative Cost	J.a Benefits Administration	N.e.07 Recognition Programs
C.b.03 Energy Sciences	E.d.08 Cost Transfers	J.a.01 Benefits Eligibility	<b>O Student Affairs</b>
C.b.04 BioSciences	E.e Intellectual Property	J.a.02 UCRS	O.a Enrollment Management
C.b.05 Applied Energy Sciences	E.e.01 Copyright	J.b Human Resources	O.a.01 Admissions
C.c UC/DOE Contract Administration	E.e.02 Patents	J.b.01 Compensation	O.a.02 Financial Aid
C.c.01 Appendix F-Performance Measures	<b>F Budget/Planning</b>	J.b.02 Education / Training	O.a.03 Registrar
C.c.02 Appendix G	F.a Budget/Planning	J.b.03 Labor / Employee Relations	O.a.04 Student Fees and Receivables
C.c.03 UCRRD Funds	F.a.01 Chancellor's Contingency Funds	J.b.04 Recruitment / Staffing	<b>O.b Student Life</b>
C.c.04 Cost Allowability Clauses	F.a.02 Budget Monitoring	J.b.05 Temporary Staffing Programs	O.b.01 Student Health
C.c.05 Precious Metals Accountability	F.a.03 Planning and Formulation	J.b.06 Executive compensation & benefits	O.b.02 Advising
C.d Safeguards and Security	F.a.04 Capital Planning, Budgeting	J.b.07 Employee Performance Management	O.b.03 ASUC
C.d.01 Information Security	F.a.05 Allocation Process	J.c Benefit Accounting	O.b.04 Residential Life
C.d.02 Physical Security	F.a.06 Regents Budget Process	J.c.01 Compensated Absences	O.b.05 Career Development
C.d.03 Personnel Security	F.a.07 Reports to the Legislature	J.c.02 Employee Medical and Other Plan Premiums	<b>O.c Auxiliary student services</b>
C.d.04 Computer and Communications Security	<b>G Information Management and Technology</b>	J.d Academic Personnel	O.c.01 Food Services
C.d.05 Nuclear Material Control	G.a Information Management	J.d.01 Academic Personnel	O.c.02 Housing
C.d.06 Export Controls	G.a.01 Privacy	<b>K Facilities, Construction &amp; Maintenance</b>	O.c.03 Recreation
C.e Work for Others	G.a.02 Records Management	K.a Construction Program	<b>Z Emerging Risk Issues</b>
C.e.01 Work for Others	G.b Information Technology	K.a.01 Major Construction Projects	Z.a Tier 2 Placeholder 1
C.f Oversight & Monitoring Activities	G.b.01 IT Governance/Strategy and Planning	K.a.02 Minor Construction Projects	Z.a.01 Tier 3 Placeholder 1
C.f.01 Sub contract administration	G.b.02 Infrastructure	K.b Plant Operations and Maintenance	Z.a.02 Tier 3 Placeholder 2
C.f.02 Price Anderson	G.b.03 Architecture	K.b.01 Emergency Services	
C.f.03 ES&H Review	G.b.04 Project Management	K.b.02 Maintenance	