



The Bridge

A Joint University of California, Berkeley Publication of Audit and Advisory Services and the Office of Ethics, Risk, and Compliance Services

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Welcome to the inaugural issue of *The Bridge*, a quarterly publication jointly produced by Audit and Advisory Services and the Office of Ethics, Risk, and Compliance Services with you in mind. Our goal is to share articles, tips, upcoming events, and other information intended to: assist managers and others in promoting a culture of accountability and ethical decision-making; effective governance, risk management, and control across the campus in pursuit of our fundamental missions: teaching, research and public service.

New Information Sharing Series: Bridging the Gap

Have you ever wondered why certain policies and procedures are in place? Wished for an opportunity to talk with decision-makers? Wanted to discuss emerging risks, new developments, or the changing environment with peers and campus leadership? Would you like to ask an auditor a question without drawing attention to yourself or unit?

If you answered yes to any of these questions, join Audit and Advisory Services, campus subject matter experts, and your colleagues in Bridging the Gap, a monthly information sharing series. The purpose of Bridging the Gap is to bring the campus community together with University thought leadership to discuss emerging and hot button issues, to foster an open exchange as well as to inform decision-makers. This year we are sharing a wide variety of interesting topics. Drop in on one or join us for all. Come, hear, and be heard about what is new at UC Berkeley. The following is the schedule of sessions planned for 2011-2012:

October 12, 2011	Ask the Auditor
November 14, 2011	There Are Policies and Then There Are Policies
December 12, 2011	Financial rigor, rhythm and reality
January 9, 2012	Pulp Protection: Securing Paper Records
February 15, 2012	Gift Management
March 14, 2012	“Making the Connection: Together We Can” Roundtable with the Chancellor and Executive Vice Chancellor and Provost (EVCP)
April 11, 2012	The Day After: Emergency and Continuity Plans
May 9, 2012	International Activities
June 13, 2012	How to be External Audit Ready

All information sessions will be held in 150 University Hall from 3:00pm until 4:30pm. Please reserve a seat at the discussion table using the UC Learning Center through the Blu portal. For additional information please visit our website at <http://audit.berkeley.edu>, email us at audit@berkeley.edu, or call us at 510-642-8292.



BEAR ALERT

University of California, Berkeley

Reporting Accidents to the California Department of Motor Vehicles



The State of California requires that all vehicle accidents resulting in bodily injury, death, or \$750 or more in damage be reported to the Department of Motor Vehicles (DMV) using a form called the SR-1. Until now, the campus has not been filing SR-1 forms because under California Vehicle Code 16000(b), the forms are not required for state-owned vehicles. Effective immediately, per BUS-69 IV.a, Risk Services will file SR-1 forms with the DMV whenever a University vehicle is involved in an accident resulting in bodily injury, death, or \$1,500 or more in damage.

This change is being made to increase the accountability of campus drivers and to reinforce the message that safety is the first concern when driving a University vehicle.

Drivers using campus vehicles should know that their personal insurance rates and/or driving privileges may be affected as a result of the University filing SR-1 forms.

In the Spotlight

A Message from Peter Taylor, Chief Financial Officer, University of California



The Office of Audit Services plays an important role in contributing to the CFO Division's goals of efficiency and compliance. We strive everyday to ensure the University is complying with a broad spectrum of laws and regulations including, for example, the Internal Revenue Service rules, the State of California contracting requirements and bond indentures for our debt. The CFO Division publishes many policies to provide guidance to campuses on how to comply with all these requirements. Internal auditors have the opportunity to independently assess whether a campus is complying with laws, regulations and University policies.

Our team is more than willing to assist by answering questions or providing additional information on finance policies or regulatory requirements. In light of the current budget cuts, many campuses have endured cuts in resources. We welcome any suggestions Audit and the campus community can provide for streamlining our policies and requirements to relieve administrative burdens on the campuses, while still complying with laws and regulations.



Vendor/Contractor Insurance Program

The Regents' Business & Finance Bulletin BUS-63 requires independent contractors, consultants, vendors, and other service providers performing work/services for the University under a contract, purchase order, or other agreement to provide evidence of adequate insurance coverage, regardless of the dollar value of the contract or the nature of the work performed.

Risk Services receives many requests to waive contractual insurance requirements because the service provider does not have insurance, however, requests to waive the coverage requirement are evaluated by the risk -- not by the service provider's lack of insurance. If Risk Services declines to waive the coverage requirement, which is usually the case, the service provider must obtain insurance before commencing work with the University.

To address this issue the system-wide Chief Risk Officer worked diligently with the University's insurance broker, Marsh, on a program which allows vendors/contractors to purchase a bundled General Liability and Professional Liability policy for a flat fee of \$500 - covering all University of California projects for a 12 month period. *Note: The two coverages cannot be unbundled and will not cover vendors/contractors for projects with other entities.*

Coverage Description

General Liability Insurance provides protection against claims of bodily injury and property damage liability for work performed on behalf of the University of California, and the litigation costs to defend against such claims. In addition miscellaneous Errors and Omissions coverage (i.e. Professional Liability) provides protection against professional errors that result in financial harm to a third party.

Vendors/Contractors should be directed to the Campus Connexions website and instructed to go through the following steps at (<http://uc.marshcampusconnexions.com/>):

- ◆ Click "Vendors and Contractors"
- ◆ Click "Learn More"
- ◆ Click "Vendor/Contractor Insurance Program"
- ◆ After reading the background information on the Overview tab, click the Application tab

At the department's discretion, the cost of the coverage can be built into the contract.

For more information, please contact Risk Services at risk@berkeley.edu.

Current Audits

Project Name	Preliminary Objective	Auditor-in-Charge
American Reinvestment and Recovery Act	Evaluate design and operating effectiveness of programs and controls to ensure compliance with the American Reinvestment and Recovery Act (ARRA) and in particular campus reporting requirements through the ARRA web portal.	Tanaia Hall
Change Management - Operational Excellence	Evaluate programs and controls related to change management resulting from Operational Excellence initiatives, including but not limited to human resources, administration and finance, as well as information technology.	Chad Edwards
Health Sciences - Medicare, Medicaid, Medi-Cal Billings	Evaluate campus controls for coding and billing healthcare services to assure compliance with Medicare, Medicaid, and Medi-Cal regulations.	Jennifer Jones
Intercollegiate Athletics - Outsourced Activities	Assess Athletics' contract management for outsourced services and evaluate the process for identifying and evaluating outsourcing and competitive sourcing.	Robert Asato

Announcements

Online ethics and financial conflict of interest training will be available in early October. For further details or questions, please email ethics@berkeley.edu.

Campus Climate and Compliance is pleased to announce a new option for AB 1825 Sexual Harassment Prevention Education. Emmy Award winning Life Theatre Services presents an exhilarating, educational and fun *alternative* to online sexual harassment training on October 24, 2011. To register using the UC Learning Center available in the Self Service section of Blu (<http://blu.berkeley.edu>).

Contact Information

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Reporting Improper Governmental Activity

UC Whistleblower Website:
<http://ucwhistleblower.ucop.edu/welcome.html>

Universitywide Independent Hotline:
(800) 403-4744 or
<http://universityofcalifornia.edu/hotline>

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