Audit and Advisory Services FY2018 Service Plan

Project Name and Background/Preliminary Project Objective

1st Quarter	
Vice Chancellor Transition Reviews (advisory)	UC Berkeley is experiencing significant change among the senior leaders. Over the next twelve months, we will need to replace five of the eight vice chancellor positions. Conduct a risk-based transition review to provide the incoming vice chancellors with a current state overview of major financial, operational, risk management, governance or control issues that may warrant attention at the outset of their new administration.
IDC Recovery Data Analysis (advisory)	Understand nature of variances in indirect cost (IDC) recovery to better set governing principles for waivers and the portfolio mix for sponsored projects.
2nd Quarter	
Business Continuity	Being able to continue critical university functions while responding to a major disaster, and then to return to normal operations efficiently and cohesively afterward, is a critical success factor for the campus. Provide management with an independent assessment of the effectiveness of the campus business continuity plan and its alignment with subordinate continuity plans, evaluate the enterprise's preparedness in the event of a major business disruption and identify issues that may limit interim business processing and restoration. The scope of this audit includes the following elements: 1. Ascertain the existence and effectiveness of the current campus continuity plan and its alignment with campus vision, strategic plans, mission focused activities, policies and procedures. 2. Evaluate critical key functional unit's preparedness in the event of a disruption. 3. Determine compliance with applicable federal laws and regulations.
Human Resources — Management and Supervisor Training	Campus units operate within the confines of a heavily regulated human resources environment with the added complexity of employees with property rights to their jobs and a myriad of complex internal policies. A knowledgeable and well equipped management is imperative for ensuring the success of employees and the university. Assess the effectiveness and adequacy of programs to equip managers with the skills necessary to successfully lead and manage a high performing workforce in the areas of recruitment, performance management, employee/labor relations, and professional development.
Operational Efficiency (advisory)	Identify and assess opportunities to enhance operational efficiency.
Self-Supporting Operations	The campus has a range of self-supporting operations: auxiliary enterprises (e.g., Housing and Dining, Parking and Transportation , University Health Services), service centers (e.g., Facilities Services, Lab Animal Care, Information Services and Technology), self supporting graduate degree programs, and designated operations (e.g., conferences, workshops). Evaluate the effectiveness of the campus system of controls to assure that self-supporting operations are financially viable and programmatically/operationally sound, revenues and expenses are appropriately accounted, and intellectual domain boundaries are clear.
Student Information System Post Implementation Review	The implementation of the new student information system was a complex project integrating over 100 disparate student information systems into one software solution that impacts UC Berkeley's students, faculty, and staff. From June 2015 through September 2016, new functionality was rolled out that touches many areas of campus life, including student recruitment, admissions, billing, registration, enrollment, financial aid, student records, and academic advising. — Evaluate the adequacy of the original definition of purpose and objectives presented in the functional requirements document and if the objectives were achieved during implementation. — Evaluate changes to objectives and the impact on functionality, service, and control environment. — Assess security, sensitive access, and segregation of duties in the new system. — Review data conversion and migration strategy and related business implications. — Understand how post-implementation issues are managed (e.g., technical support, system documentation, disaster recovery, and resolution of issues not addressed due to scope changes).

3rd Quarter	
Bowles Hall	In an effort to provide a residential college experience for UC Berkeley students, the campus entered into a ground lease and cooperation agreement with the Bowles Hall Foundation to construct and operate Bowles Hall, an 118-unit student residential facility, in accordance with campus policies and relevant laws. The facility opened to students for the 2017 academic year. Assess the adequacy and effectiveness of risk management, control and governance processes in providing reasonable assurance that management of the contract with the Bowles Hall Foundation is compliant with the terms and conditions, meets student service objectives, safeguards the campus asset, and achieves financial goals.
Campus Shared Services	Campus Shared Services, which first opened its doors in January 2013, provides the campus with administrative services in the areas of human resources and academic personnel support; information technology; research administration; and business and financial services. The final group of departments transitioned to CSS in March 2015. In the last two years CSS has focused on automation and standardization of systems and processes. CSS provides core administrative services and support to 98% of the Berkeley campus. Evaluate the system of controls in place to ensure that human resource, business and finance, and research administration transactions and activities are processed efficiently; accurately; and appropriately employ policies, regulations, and better business and client service practices in a shared services context.
Executive Compensation and Chancellor Associate	Evaluate compliance with Business and Finance Bulletin G-45, Implementing Requirements on Expenses Incurred in Support of Official Responsibilities of the President and Chancellors and evaluate controls to accurately generate the Annual Report of Executive Compensation.
Information and Technology — Electronic Data Warehouse and Business Intelligence Tools	Leveraging data for strategic decision making is a part of the current VCAF goal of achieving financial strength. The campus has employed an electronic data warehouse since at least 2001 with the BAIRS reporting portal available to access and analyze selected financial and human resource data for financial and operational needs. The BAIRS software platform is at the end of its vendor development lifecycle. Under Operational Excellence, CalAnswers was implemented making procurement, staffing, and student information more accessible. Assess the current state of institutional data management for enterprise financial, human resource, and student information systems against the stated goal of the Institutional Data Management and Governance initiative to make "institutional data easily accessible, reliable, consistent and secure to support informed planning, decision making, and communication by campus leaders."
Organized Research Units	The campus has over 120 organized research units (ORUs) including institutes, centers, field stations, laboratories and museums which are governed by *Regents Policy 2307: Policy on Organized Research Units and Administrative Policies and Procedures Concerning Organized Research Units.* Evaluate effectiveness of the process for the periodic review of ORUs, particularly the justification for continuation or disestablishment. We will consider business processes and internal controls to evaluate financial viability, utilization, return on investment of core funds, overlap of purpose with other ORUs, etc.
Outside Professional Activities (systemwide)	Evaluate compliance with University policies governing outside professional activities.

4th Quarter	
Affiliated Organizations	Under special circumstances as defined by Regents Policy 5203, a campus may enter into an affiliation, for a defined time period, by written agreement at the discretion of the chancellor. Such an agreement may permit the use of the university's name, facilities, personnel, and other resources in return for specified benefits received by the university. Currently such groups include the UC Berkeley Center for Executive Education, Berkeley Hillel Jewish Student Center, Berkeley Student Cooperative, International House, the George D. Louderback Fund, Bowles Hall Foundation, and the Associated Students of the University of California. Campus engagement of affiliated organizations is expanding. Evaluate the infrastructure and system of controls employed to assess these arrangements and to monitor related activities and performance on an ongoing basis to assure that these affiliations serve the best interest of the university.
Berkeley Resource Center for Online Education and New Academic Ventures	One of the goals of campus financial reform is strengthening units' ability to influence revenue growth through academic entrepreneurship. To this end, both the Berkeley Resource Center for Online Education and the New Academic Ventures at Berkeley offices were established. Assess the adequacy and effectiveness of risk management, control and governance processes in providing reasonable assurance that opportunities are effectively vetted, financial modeling is sound, market analysis is reliable, performance metrics are appropriate and monitored, and lessons learned are leveraged.
Fair Wage/Fair Work	Evaluate compliance with the university fair wage/fair work plan.
Information and Privacy — Data Usage in Online Services	The expansion of online tools and services directly or indirectly impact campus positions on data privacy, accessibility, intellectual property rights, procurement processes, user-targeted free services, business practices, and more, resulting in an increasingly complicated set of data relationships between institutions, faculty, and students, policies and practices, and campus and commercial cultures. Assess the adequacy of governance, risk management, and control related to data (personal identity, application activity, location, user-created content, enrollment, performance, financial, health, preferences, connections) usage in online services.
Scholarships and Fellowships	The campus has a range of innovative financial aid programs to help students fund their education and realize the twin goals of excellence and access. Scholarships and grants are sourced from the return-to-aid program, private donors, and federal and state grants. In some cases, scholarships are administered by individual deans or department chairs. Evaluate the stewardship of scholarship funds to ensure that they are effectively managed, gift terms are well understood and adhered to (eligibility, amount, and program expense allowability), disbursement opportunities are optimized, accumulations are minimized, and donor reporting is accurate and timely.