# UC RIVERSIDE: AUDIT & ADVISORY SERVICES

Date: February 08, 2024

To: Veronica Ruiz, Chief Financial & Administrative Officer

 Chancellor’s Office – General Operations

Subject: Expenses of the Associate of the Chancellor Audit

Ref: R2023-01A

We have completed the Expenses of the Associate of the Chancellor audit in accordance with the University of California, Riverside (UCR) Audit Plan. Our report is attached for your review.

We appreciate the cooperation and assistance provided by you and your staff. Should you have any questions concerning the report, please do not hesitate to contact me.

 Gregory Moore

 Director

cc: Ethics & Compliance Risk and Audit Controls (ECRAC) Committee

UNIVERSITY OF CALIFORNIA AT RIVERSIDE

AUDIT & ADVISORY SERVICES

AUDIT REPORT R2023-01A

EXPENSES OF THE ASSOCIATE OF THE CHANCELLOR

February 08, 2024

 Approved by:

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Ricardo Pardo Gregory Moore

Associate Auditor Director

**UC RIVERSIDE**

**EXPENSES OF THE ASSOCIATE OF THE CHANCELLOR**

**AUDIT REPORT R2023-01A**

**February 08, 2024**

1. **MANAGEMENT SUMMARY**

Based upon the results of our review, it is our opinion that, overall, the expenses incurred by the Associate of the Chancellor are in compliance with applicable University policies and procedures and are appropriate.

Our review did not disclose any exceptions.

1. **INTRODUCTION**
2. **PURPOSE**

UC Riverside Audit & Advisory Services, as part of a systemwide effort, performed a review of Expenses of the Associate of the Chancellor as part of executive compensation reviews to determine validity of expenditures and evaluate compliance with applicable University policies and procedures.

1. **BACKGROUND**

Appointment as the Associate of the Chancellor is intended to reflect and recognize the contributions and services of those individuals who are called upon to serve as ambassadors for the University and/or the Chancellor. The Associate may accompany the Chancellor in settings where this will enhance the University’s relationships with students, alumni, faculty, staff, donors, friends, public officials, private sector officials, and representatives of foreign governments. The appointment is without salary.

1. **SCOPE**

Audit & Advisory Services reviewed selected records supporting the Associate of the Chancellor’s expenses for fiscal year (FY) 2021-22 and performed the following procedures:

* + Performed review procedures and tests of accounting records of the Expenses of the Associate of the Chancellor to determine appropriateness of expenditures and evaluate for compliance with University Policy Business Finance Bulletin (BFB) G-45 “Implementing Requirements on Expenses Incurred in Support of Official Responsibilities of the President and Chancellors”, UC Regents Policy 7106: “Policy on the Associate of the President and the Associate of the Chancellor,” and adequacy of internal controls.
	+ Performed a financial analytic review / trend analysis of Expenses of the Associate of the Chancellor for FYs 2019-20 through 2021-22. This included identifying unusual trends or fluctuations and evaluating the reasonableness of any variances.
1. **INTERNAL CONTROLS AND COMPLIANCE**

As part of the review, internal controls were examined within the scope of the audit.

Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the achievement of objectives in the following categories:

* Effectiveness and efficiency of operations
* Reliability of financial reporting
* Compliance with applicable laws and regulations

Substantive audit procedures were performed during the months of September 2022 through June 2023. Accordingly, this evaluation of internal controls is based on our knowledge as of that time and should be read with that understanding.

1. **CONCLUSION**

Controls and procedures over the Expenses of the Associate of the Chancellor were found to be adequate, in compliance with University Policy BFB G-45 and Regents Policy 7106, and selected expenditures reviewed were deemed appropriate.