

The logo for UCIrvine, featuring the letters 'UCI' in a large, bold, serif font, followed by 'RVINE' in a smaller, all-caps serif font. A vertical line separates the 'UCI' and 'RVINE' parts.

UCIRVINE

The text 'INTERNAL AUDIT SERVICES' in a serif font, arranged in two lines. A vertical line is positioned to the left of the text.

INTERNAL
AUDIT SERVICES

Chancellor's Expenses

Internal Audit Report No. I2016-202b

August 7, 2016

Prepared By

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Approved By

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INTERNAL AUDIT SERVICES
IRVINE, CALIFORNIA 92697-3625

August 7, 2016

**MIKE ARIAS
ASSOCIATE CHANCELLOR
CHANCELLOR'S OFFICE**

**RE: Chancellor's Expense Audit
Report No. I2016-202b**

Internal Audit Services has completed the limited review of the Annual Report of Fiscal Year Expenses of the Chancellor and the final report is attached.

We extend our gratitude and appreciation to all personnel with whom we had contact while conducting our review. If you have any questions or require additional assistance, please do not hesitate to contact me.

Mike Bathke

Mike Bathke
Director
UC Irvine Internal Audit Services

Attachment

C: Audit Committee
Desiree Von Haag, Operations Manager – Chancellor's Office

I. BACKGROUND

University of California, Irvine (UCI) Internal Audit Services (IAS) conducted a limited review of expenses incurred in support of the responsibilities of the UCI Chancellor for compliance with University of California Office of the President (UCOP) policy G-45: "Implementing Requirements on Expenses Incurred in Support of Official Responsibilities of the President and Chancellors" (G-45). G-45 clarifies procedures for identifying and reporting expense of the President and the Chancellors associated with their official residences. It also describes allowable expenses incurred by the officer, such as travel, entertainment, and gift expenses. The review consisted mainly of determining the reasonableness of 2015 amounts and comparing them to previous years.

II. PURPOSE, SCOPE AND OBJECTIVES

The purpose of this review was to determine whether the reportable activity of the Chancellor's expenses complies with G-45 for fiscal year 2014-2015.

IAS performed the following procedures:

1. Reviewed local and systemwide policies related to the Chancellor's expenses;
2. Performed a fluctuation analysis of the Chancellor's expenses to analyze and document any changes from 2013 (the last time this review was conducted) to this year; and
3. Determined whether activity in support of the Chancellor was reasonable and properly reported through the appendices in G-45: Annual Report of Fiscal Year Expenses (Appendix A) and the Annual Report of Taxable Expenses (Appendix B – Reporting Period November 1, 2014 - October 31, 2015).

III. CONCLUSION

Based on the limited procedures performed, the expenses recorded in Appendices A and B that support the Chancellor and the residence appear to be appropriate and reported in accordance with University policies and procedures.