

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.The text 'INTERNAL AUDIT SERVICES' in a serif font, positioned to the right of the UCIrvine logo.

Travel and Entertainment Exceptional Approval Processes

Internal Audit Report No. I2025-208

March 11, 2025

Prepared By

Julie Chung, Senior Auditor

Reviewed By

Loran Lerma, Audit Manager

Approved By

Mike Bathke, Director

March 11, 2025

**BARRY OH
ASSISTANT VICE CHANCELLOR AND CONTROLLER
ACCOUNTING & FISCAL SERVICES**

**RE: Travel and Entertainment Exceptional Approval Processes Audit
No. I2025-208**

Internal Audit Services performed a focused review of processes and controls for Travel and Entertainment Exceptional Approvals, and the final report is attached.

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

Sincerely,



Mike Bathke
Director

Attachment

C: Audit Committee
Sheralin Klinthong, Associate Controller – Accounting & Fiscal Services

I. MANAGEMENT SUMMARY

In accordance with the fiscal year (FY) 2024-2025 audit plan, Internal Audit Services (IAS) conducted a focused review of processes and controls for Travel and Entertainment Exceptional Approvals. The purpose of this audit was to determine if the current internal controls and processes ensure that travel and entertainment exceptional approvals are appropriately reviewed and approved in accordance with University policies.

In general, controls and processes appear to be functioning as intended. Based on the audit work performed, appropriate business processes were established and implemented to ensure compliance with University policies and procedures. IAS noted observations that were not significant enough to warrant inclusion in this report; these were discussed verbally with management.

II. PURPOSE, SCOPE, AND OBJECTIVES

The purpose of this audit was to review current business practices and internal controls to ensure exceptional approvals are requested, reviewed, and obtained as required by policy.

For testing purposes, IAS established the following objectives:

1. Assess business practices and processes implemented to ensure exceptional approvals are requested, reviewed, and obtained in accordance with policy.
2. Review a sample of travel and entertainment expenses to determine if proper separation of duties was established.

III. CONCLUSION

Based on the audit work performed, appropriate business processes were established and implemented to ensure compliance with University policy requirements for travel and entertainment exceptional approvals.

IAS observed a few minor issues that were not significant enough to be included in this report. These issues were discussed verbally with management.

No further review or follow-up related to the verbal observations was deemed necessary.