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Subject: ***Control Environment Survey Results***
                    UCSD Business Process Self Assessment (BPSA) Program FY 2011
                    Audit & Management Advisory Services' Project #2011-33

As part of an ongoing UCSD self-assessment program, 2,362 BPSA Control Environment surveys were distributed to management and staff in External and Business Affairs, Resource Management and Planning, and Student Affairs. The purpose for this correspondence is to transmit the overall survey results for all participating units. Please refer to *Attachment A* for data regarding survey respondents, and the distribution of survey responses by survey question.

In total, 338 out of 2,362 members of these three Vice Chancellor areas participated in the electronic survey process resulting in a response rate of approximately 14% (considered a good response rate for a voluntary survey). Historically, the response rate for this survey has been in the 10 – 15% range.

The purpose of the survey was twofold: (1) to evaluate the effectiveness of key financial and administrative processes and (2) to evaluate concerns regarding the campus administrative infrastructure. Participants were asked to state whether they agreed with attributes for departmental practices in the following areas: Organizational Culture, Business Objectives and Obstacles, Policies and Procedures, Information and Communication, Evaluation and Feedback, and Employment Development.

For most statements, a non-numbered six-point scale was provided ranging from "strongly agree" to "strongly disagree." Statements were structured so that a "strongly agree" response reflected a strong departmental process, the presence of effective administrative and financial controls in practice, effective communication providing timely information, or good employment practices.

Control Environment Survey Results
UCSD Business Process Self Assessment (BPSA) Program FY 2011
Audit & Management Advisory Services' Project #2011-33

Overall Results by Survey Topic

The distributions of responses to survey statements are summarized by survey topic below.

Topic of Survey Statement[1]	Agree[2]	Disagree[3]	Does Not Apply	Don't Know
Organizational Culture	78%	19%	1%	3%
Business Objectives and Obstacles	82%	16%	1%	2%
Policies and Procedures	77%	14%	1%	9%
Information and Communications	75%	17%	0%	7%
Evaluation and Feedback	75%	16%	3%	6%
Employee Development	80%	17%	1%	2%

1 Statements were structured so that a "strongly agree" response reflected a strong departmental process in accomplishing business objectives, departmental compliance with policies and procedures, or the presence of effective communication and human resource practices.
2 Responses indicated "Strongly Agree," "Agree," or "Somewhat Agree."
3 Responses indicated "Somewhat Disagree," "Disagree," or "Strongly Disagree."

Composite Score Review

The following graph summarizes the composite scores by subject area. Composite scores represent the average score for all questions within a subject area. For purposes of our calculation, agreements with survey statements were scored as follows:

- "strongly agree" = 3
- "agree" = 2
- "somewhat agree" = 1
- "somewhat disagree" = -1
- "disagree" = -2
- "strongly disagree" = -3
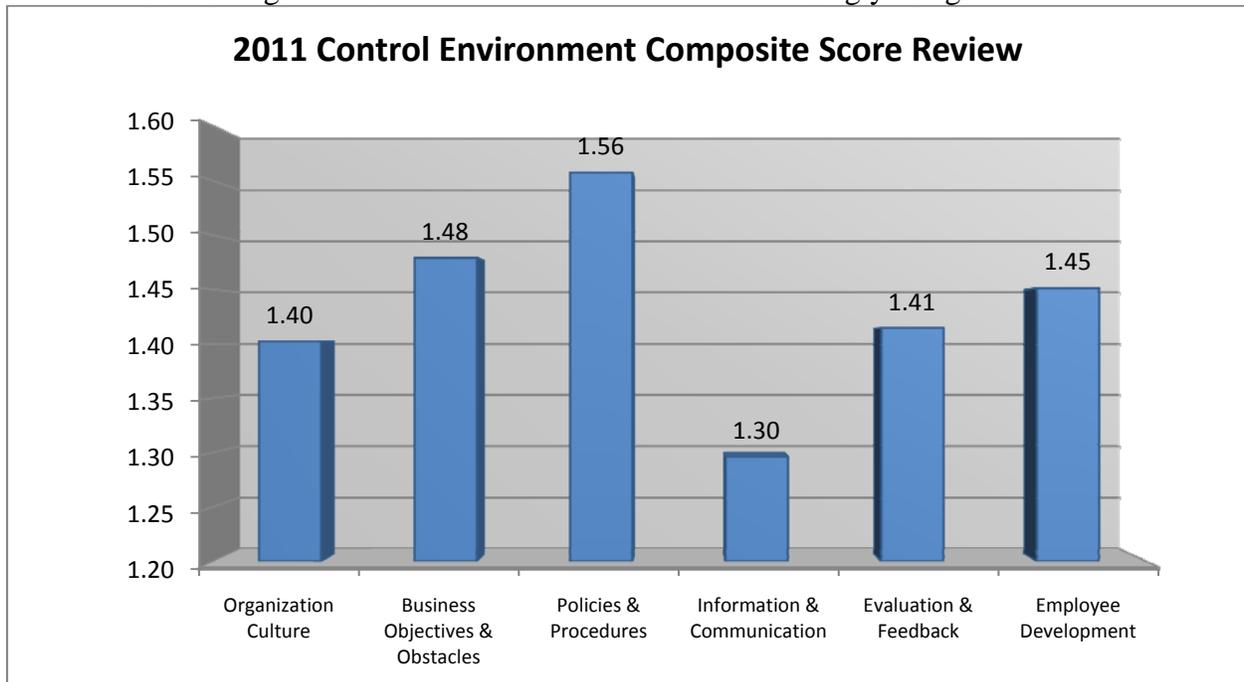
Composite scores indicate that participants' responses were generally positive. A composite score trend review is depicted in *Attachment C*.
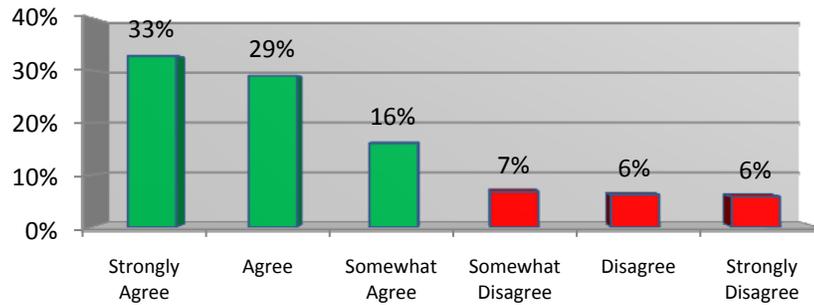
Distribution of Responses by Survey Topic

The following tables summarize the distribution of survey responses expressed as a percentage of all 338 responses received for each survey topic. The distribution of survey responses was positive and generally consistent across the various survey topics.

Organizational Culture:

The culture sets the tone for the organization, influencing the control consciousness of its faculty and staff. It is the foundation for all other components of internal control.
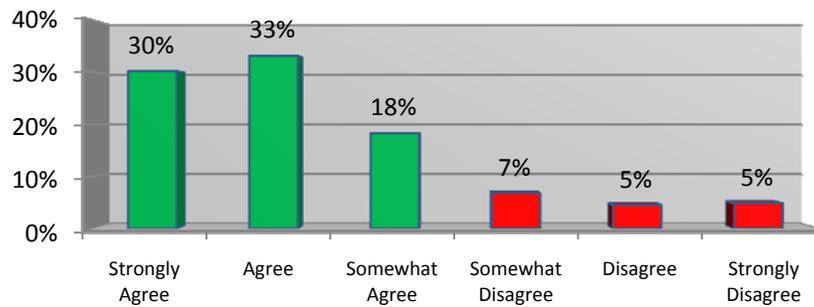
Organizational Culture

Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree
33%	29%	16%	7%	6%	6%

Business Objectives and Obstacles:

Organizations identify objectives and evaluate potential obstacles to determine how to manage these obstacles.

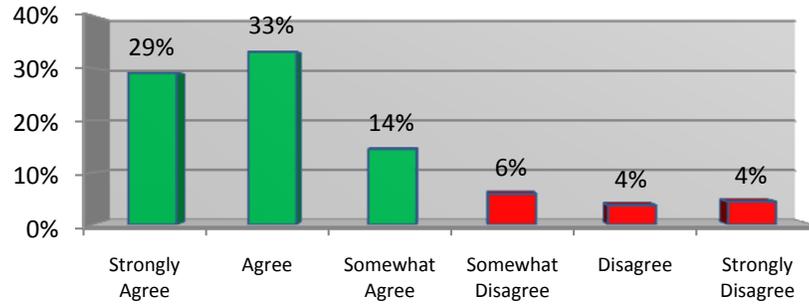### Business Objectives and Obstacles

Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree
30%	33%	18%	7%	5%	5%

Policies and Procedures:

Policies, procedures, and other safeguards help ensure that business objectives are accomplished.

Policies and Procedures

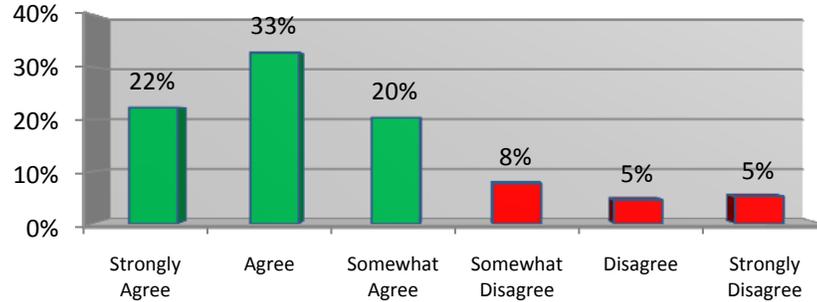| Category	Percentage
Strongly Agree	29%
Agree	33%
Somewhat Agree	14%
Somewhat Disagree	6%
Disagree	4%
Strongly Disagree	4%

Information and Communication:

Relevant information is identified, captured, and communicated, in a timely manner, to enable employees to fulfill their responsibilities.
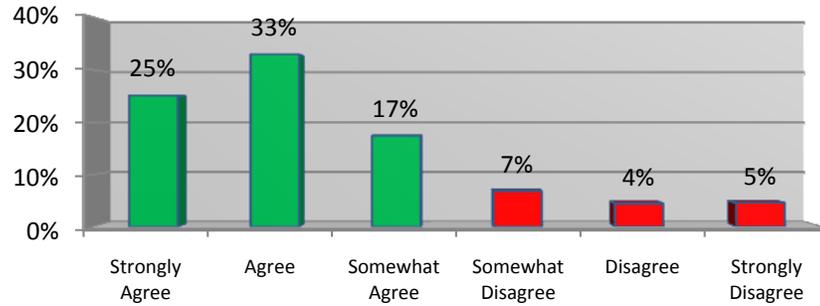
Information and Communication

Category	Percentage
Strongly Agree	22%
Agree	33%
Somewhat Agree	20%
Somewhat Disagree	8%
Disagree	5%
Strongly Disagree	5%

Evaluation and Feedback:

Evaluation and feedback processes are in place to assess and monitor performance over time.

Evaluation and Feedback

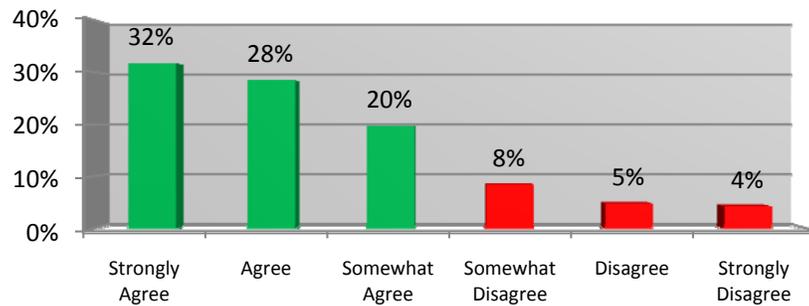|	
Strongly Agree	25%
Agree	33%
Somewhat Agree	17%
Somewhat Disagree	7%
Disagree	4%
Strongly Disagree	5%

Employee Development:

Employee development opportunities are available and encouraged to assist the process of career growth.

Employee Development

Strongly Agree	32%
Agree	28%
Somewhat Agree	20%
Somewhat Disagree	8%
Disagree	5%
Strongly Disagree	4%

Results for Selected Individual Survey Statements

Survey responses evaluated by individual survey statement indicated that participants generally agreed with individual survey statements. However, the distribution of responses to selected individual survey statements in five of the modules: Organizational Culture, Business Objectives and Obstacles, Information Communication, Evaluation and Feedback, and Employee Development indicated some relatively lower scores. For example, we noted some survey responses where 25% or more of participants did not agree with individual survey statements.

To assist your review, we have attached a copy of the actual survey statements with results noted (*Attachment A*). Survey statements and responses where 25% or more of the participants did not agree with the survey statement have been shaded in bright green. The statements in this category include:

- Organizational Culture: 49% of respondents disagreed that personnel turnover has NOT impacted the department's ability to effectively perform its function.

- Organizational Culture: 28% of respondents disagreed that employees are treated fairly and justly in their department.

- Business Objectives and Obstacles: 30% of respondents disagreed that they have sufficient resources, including tools and time, to accomplish business objectives.

- Information and Communication: 30% of respondents disagreed that mechanisms and incentives are in place for them to provide recommendations for process improvements.

- Evaluation and Feedback: 29% of respondents disagreed that their job description fairly reflects their current responsibilities and their responsibilities are realistic and achievable.

- Employee Development: 27% of respondents disagreed that opportunities for cross-training and on-the-job training are available and encouraged in their department.

Attachment B provides a five year trend indicating the percentage of respondents that disagree with these statements.

Composite Score Trends

Attachment C provides an overview of the BPSA Control Environment Survey composite scores by category for the period of 2007 through 2011.

Current year composite scores for all categories have decreased or increased slightly from last year's results. Decreases in scores ranged from 4% to 12.3%. Increases ranged from 1.5% to 2.5%. The most significant decreases occurred in organizational culture (12.3%), and evaluation and feedback (6.9%). Trends in composite scores will be presented to the Compliance Audit Risk and Ethics (CARE) Committee for discussion.

For purposes of understanding the composite score trends it is important to note that, since the BPSA Control Environment Survey samples different organizations and departments each year, changes in the composite scores from year to year are not necessarily reflective of the changes occurring within any particular UCSD organization or department. Rather, these composite score trends should be interpreted in the context of the campus as a whole. (Attachment D shows the departments participating in this survey in the most recent prior years.)

Audit & Management Advisory Services appreciates the support of participating divisions and personnel. If you have any questions regarding this report, please call me at 534-3913.

Stephanie Burke
Assistant Vice Chancellor
Audit & Management Advisory Services

Attachments

cc: D. Larson
       S. Vacca

1. Select your area.		
Ext & Bus Affairs - Admin Computing & Telecom	17	5%
Ext & Bus Affairs - Controller / Business & Fin Svcs	54	16%
Ext & Bus Affairs - Development / Alumni Affairs	12	4%
Ext & Bus Affairs - Housing And Dining And Retail Svcs	8	2%
Ext & Bus Affairs - Housing And Dining Resident Svcs	1	0%
Ext & Bus Affairs - Housing And Dining Services - Other	5	1%
Ext & Bus Affairs - Human Resources	27	8%
Ext & Bus Affairs - Other	18	5%
RMP - Bookstore	16	5%
RMP - Campus Planning Mgt	4	1%
RMP - Facilities Management	37	11%
RMP - Imprints	5	1%
RMP - Real Estate Management	9	3%
RMP - Transportation	13	4%
RMP - Other	23	7%
Student Affairs - Admissions & Enrollment Services	21	6%
Student Affairs - Career Services	3	1%
Student Affairs - College Deans	4	1%
Student Affairs - Intercollegiate Athletics	5	1%
Student Affairs - International Center	8	2%
Student Affairs - Resource Administration	4	1%
Student Affairs - Sports Facilities & Programs	1	0%
Student Affairs - Student Educational Advancement	10	3%
Student Affairs - Student Life	10	3%
Student Affairs - Student Wellness	11	3%
Student Affairs - Other	12	4%
Total	338	100%

2. Do you have a staff or academic appointment?		
Staff	325	96%
Academic	1	0%
Response Declined	12	4%
Total	338	100%

3. Organizational Culture: The campus culture sets the tone of the organization, influencing the control consciousness of its faculty and staff. It is the foundation for all other components of internal control.

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Does Not Apply	Don't Know
Management in my department demonstrates high ethical standards.	133	99	49	22	16	13	1	5
	39%	29%	14%	7%	5%	4%	0%	1%
Management in my department strives to comply with laws and regulations affecting the campus.	167	101	35	16	8	7	1	3
	49%	30%	10%	5%	2%	2%	0%	1%
I believe that my department conducts business in compliance with applicable laws and regulations.	164	112	34	11	7	6	0	4
	49%	33%	10%	3%	2%	2%	0%	1%
The performance targets in my department are realistic and obtainable.	82	96	84	26	18	18	3	11
	24%	28%	25%	8%	5%	5%	1%	3%
Employees in my department have the knowledge, skills, and training required to perform their jobs.	91	118	77	22	21	7	1	1
	27%	35%	23%	7%	6%	2%	0%	0%

4. Organizational Culture (cont'd)

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Does Not Apply	Don't Know
My department learns from its mistakes.	86	98	73	21	34	21	3	2
	25%	29%	22%	6%	10%	6%	1%	1%
Personnel turnover has NOT impacted my department's ability to effectively perform its function.	52	60	51	43	45	76	4	7
	15%	18%	15%	13%	13%	22%	1%	2%
Integrity of financial and operational results takes priority over reporting acceptable performance targets.	83	94	59	20	25	9	6	42
	25%	28%	17%	6%	7%	3%	2%	12%
Employees in my department are treated fairly and justly.	88	90	61	35	27	32	1	4
	26%	27%	18%	10%	8%	9%	0%	1%
Employees in my department do NOT have to take unnecessary safety risks to perform their job.	163	112	20	14	9	9	3	8
	48%	33%	6%	4%	3%	3%	1%	2%

5. Business Objectives and Obstacles: Organizations identify objectives and evaluate potential obstacles to determine how to manage these obstacles.

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Does Not Apply	Don't Know
I understand my responsibilities including the limits of my authority and to whom I am accountable.	156	133	30	7	3	4	3	2
	46%	39%	9%	2%	1%	1%	1%	1%
I am held accountable for defined and measurable business objectives.	125	123	56	9	15	5	2	3
	37%	36%	17%	3%	4%	1%	1%	1%

Attachment A

5. Business Objectives and Obstacles (cont'd)								
	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Does Not Apply	Don't Know
I have sufficient resources, including tools and time, to accomplish these objectives.	52	97	82	50	22	29	2	4
	15%	29%	24%	15%	7%	9%	1%	1%
In my department, we identify and resolve obstacles that could potentially impact achievement of our objectives.	77	106	76	31	23	18	1	6
	23%	31%	22%	9%	7%	5%	0%	2%
In my department, business processes supporting the services we provide to others are well managed.	70	110	78	28	17	25	2	8
	21%	33%	23%	8%	5%	7%	1%	2%
My business unit considers customer impacts in our business decisions and activities.	132	103	49	12	12	18	3	9
	39%	30%	14%	4%	4%	5%	1%	3%

6. Policies and Procedures: Policies, procedures, and other safeguards help ensure that business objectives are accomplished.								
	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Does Not Apply	Don't Know
The policies and procedures in my department allow me to do my job effectively.	87	127	63	18	18	17	2	6
	26%	38%	19%	5%	5%	5%	1%	2%
Employees who misuse University resources (physical property, money, information, time) will be discovered.	96	112	50	24	11	13	2	30
	28%	33%	15%	7%	3%	4%	1%	9%
Employees who are discovered misusing University resources are subject to appropriate disciplinary actions.	103	104	35	20	12	17	2	45
	30%	31%	10%	6%	4%	5%	1%	13%
Employees who violate laws and regulations affecting the University will be discovered.	107	105	48	18	9	13	3	35
	32%	31%	14%	5%	3%	4%	1%	10%

7. Information and Communication: Relevant information needs to be identified, captured, and communicated, in a timely manner, to enable employees to fulfill their responsibilities.								
	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Does Not Apply	Don't Know
I understand my Department's mission, business objectives and core responsibilities.	146	136	32	12	5	5	1	1
	43%	40%	9%	4%	1%	1%	0%	0%
I have sufficient information to fulfill my responsibilities.	100	135	63	20	9	9	1	1
	30%	40%	19%	6%	3%	3%	0%	0%
Mechanisms and incentives are in place for me to provide recommendations for process improvements.	71	87	72	39	29	34	2	4
	21%	26%	21%	12%	9%	10%	1%	1%
The communication within my department enables personnel to perform their responsibilities.	69	110	76	32	22	27	1	1
	20%	33%	22%	9%	7%	8%	0%	0%

Attachment A

8. Information and Communication (cont'd)

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Does Not Apply	Don't Know
The communication across campus departments enables personnel to perform their responsibilities.	36	84	116	49	18	16	2	17
	11%	25%	34%	14%	5%	5%	1%	5%
Information systems provide department management with timely reports to evaluate performance against established business objectives.	36	91	84	31	15	15	5	61
	11%	27%	25%	9%	4%	4%	1%	18%
Senior campus management is informed and aware of my department's actual performance.	49	104	60	25	11	24	1	64
	14%	31%	18%	7%	3%	7%	0%	19%
A communication channel exists for reporting suspected improprieties.	84	122	55	17	8	16	1	35
	25%	36%	16%	5%	2%	5%	0%	10%
Persons who report suspected improprieties are protected from reprisal.	66	96	43	18	15	20	1	79
	20%	28%	13%	5%	4%	6%	0%	23%

9. Information and Communication (cont'd)

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Does Not Apply	Don't Know
If I report wrongdoing to my supervisor, I am confident that the wrongdoing will stop.	71	99	67	26	25	31	1	18
	21%	29%	20%	8%	7%	9%	0%	5%
My department's information systems are up-to-date.	72	115	78	22	17	16	1	17
	21%	34%	23%	7%	5%	5%	0%	5%
I have access to the technical support I need.	96	125	68	24	14	9	1	1
	28%	37%	20%	7%	4%	3%	0%	0%
I have received the training (or guidance) that I need to use available information systems.	80	137	77	23	10	7	3	1
	24%	41%	23%	7%	3%	2%	1%	0%

10. Evaluation and Feedback: Evaluation and feedback processes are needed to assess and monitor performance over time.

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Does Not Apply	Don't Know
Information reported to Senior Management reflects the actual results of department operations.	65	107	51	27	7	15	6	60
	19%	32%	15%	8%	2%	4%	2%	18%
I have enough information to monitor performance (i.e., affiliates, staff, vendors, etc.).	53	108	65	25	13	9	41	24
	16%	32%	19%	7%	4%	3%	12%	7%
I have enough information to monitor customers' level of satisfaction.	57	103	76	24	19	12	30	17
	17%	30%	22%	7%	6%	4%	9%	5%
Customer complaints are followed up on in a timely and effective manner.	110	118	46	6	10	10	16	22
	33%	35%	14%	2%	3%	3%	5%	7%
The quality of output in my department is measurable.	87	112	82	17	12	8	3	17
	26%	33%	24%	5%	4%	2%	1%	5%

Attachment A

11. Evaluation and Feedback (cont'd)

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Does Not Apply	Don't Know
Employees in my department know what actions to take when they find mistakes or gaps in performance.	57	118	87	30	22	7	1	16
	17%	35%	26%	9%	7%	2%	0%	5%
My job description fairly reflects my current responsibilities, and responsibilities are realistic and achievable.	62	104	69	37	26	35	2	3
	18%	31%	20%	11%	8%	10%	1%	1%
My supervisor reviews my performance with me at least annually.	120	121	24	18	18	24	3	10
	36%	36%	7%	5%	5%	7%	1%	3%
My performance is evaluated regularly, fairly, and objectively.	103	103	47	25	18	28	2	12
	30%	30%	14%	7%	5%	8%	1%	4%
I know what action to take if I become aware of unethical or fraudulent activity.	134	118	41	21	5	7	0	12
	40%	35%	12%	6%	1%	2%	0%	4%

12. Employee Development

	Strongly Agree	Agree	Somewhat Agree	Somewhat Disagree	Disagree	Strongly Disagree	Does Not Apply	Don't Know
Employees in my department are provided opportunities to attend employee development programs.	125	112	59	12	9	12	2	7
	37%	33%	17%	4%	3%	4%	1%	2%
My Department encourages me to participate in employee development opportunities.	109	93	74	21	16	15	4	6
	32%	28%	22%	6%	5%	4%	1%	2%
Opportunities for cross-training and on-the-job training are available and are encouraged in my Department.	87	83	66	52	23	16	2	9
	26%	25%	20%	15%	7%	5%	1%	3%

Organizational Culture: The campus culture sets the tone of the organization, influencing the control consciousness of its faculty and staff. It is the foundation for all other components of internal control.

| Survey Questions	Percent of Disagreement				
	2007	2008	2009	2010	2011
Personnel turnover has NOT impacted my department's ability to effectively perform its function.	37%	45%	29%	39%	49%
Employees in my department are treated fairly and justly.	13%	20%	12%	25%	28%

Business Objectives and Obstacles: Organizations identify objectives and evaluate potential obstacles to determine how to manage these obstacles.

Survey Question	Percent of Disagreement				
	2007	2008	2009	2010	2011
I have sufficient resources, including tools and time, to accomplish these objectives.	15%	28%	19%	22%	30%

Information and Communication: Relevant information needs to be identified, captured, and communicated, in a timely manner, to enable employees to fulfill their responsibilities.

Survey Question	Percent of Disagreement				
	2007	2008	2009	2010	2011
Mechanisms and incentives are in place for me to provide recommendations for process improvements.	15%	29%	24%	27%	30%

Evaluation and Feedback: Evaluation and feedback processes are needed to assess and monitor performance over time.

Survey Question	Percent of Disagreement				
	2007	2008	2009	2010	2011
My job description fairly reflects my current responsibilities, and responsibilities are realistic and achievable.	13%	21%	18%	19%	29%

Employee Development

Survey Question	Percent of Disagreement				
	2007	2008	2009	2010	2011
Opportunities for cross-training and on-the-job training are available and are encouraged in my Department.	15%	26%	16%	22%	27%

Attachment B

Control Environment Survey Composite Score Trend
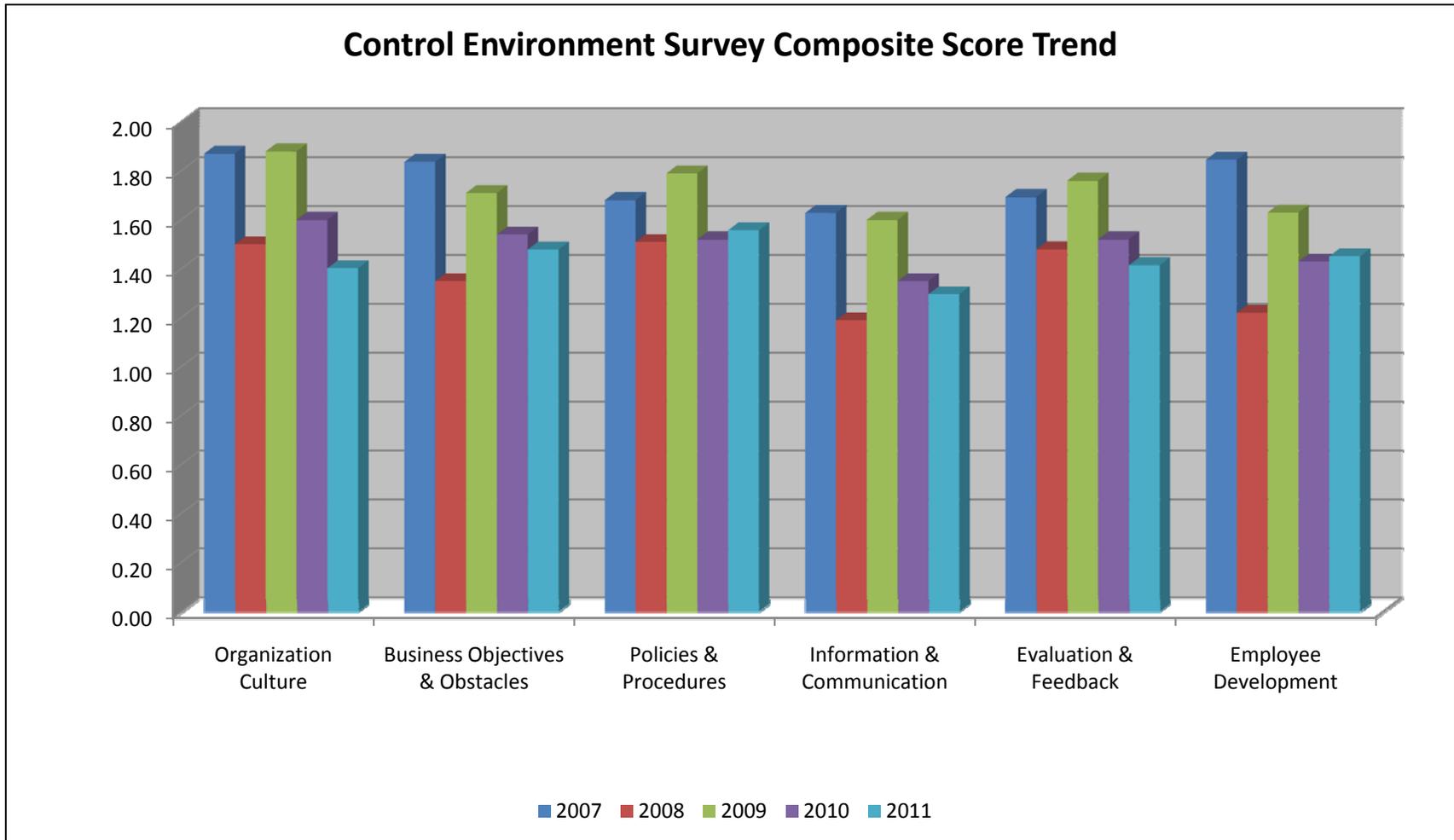
Participating Departments
UCSD Business Process Self Assessment (BPSA) Program FY 2011
Audit & Management Advisory Services' Project #2011

2007	2008	2009	2010	2011
Academic Computing Services	Birch Aquarium	Department of Communication	CACSE/SDSC	Ext & Bus Affairs - Admin Computing & Telecom
Biomedical Sciences Program	Department of Anthropology	Department of Economics	Extension	Ext & Bus Affairs - Controller / Business & Fin Svcs
Department of Family & Preventive Medicine	Department of Medicine	Department of History	Geisel Library	Ext & Bus Affairs - Development / Alumni Affairs
Department of Literature	Department of Political Science	NanoEngineering	Literature	Ext & Bus Affairs - Housing And Dining And Retail Svcs
Department of Mathematics	Department of Visual Arts	Center for Research in Educational Equity, Assessment and Teaching Excellence	Mathematics	Ext & Bus Affairs - Housing And Dining Resident Svcs
Geisel Library	Extension	Cancer Center	Philosophy	Ext & Bus Affairs - Housing And Dining Services - Other
Institute of Geophysics/Planetary Physics	Shipboard Technical Support	Center for Magnetic Recording Research	SIO - Directors Office	Ext & Bus Affairs - Human Resources
OLR - Medical	Warren College	Center for U.S. Mexican Studies	SOM - Deans Office	Ext & Bus Affairs - Other
School of Medicine - Dean's Office		Center for Research in Computing and the Arts	Surgery	RMP - Bookstore
		Institute on Global Conflict & Cooperation	Theatre	RMP - Campus Planning Mgt
		Management School	VC - Academic Affairs	RMP - Facilities Management
		Marine Physical Laboratory	White Mountain Research Station	RMP - Imprints
		Nimitz Marine Facility		RMP - Real Estate Management
		Anesthesiology		RMP - Transportation
		Ophthalmology		RMP - Other
		Department of Psychiatry		Student Affairs - Admissions & Enrollment Services
		Radiation Oncology		Student Affairs - Career Services
				Student Affairs - College Deans
				Student Affairs - Intercollegiate Athletics
				Student Affairs - International Center
				Student Affairs - Resource Administration
				Student Affairs - Sports Facilities & Programs
				Student Affairs - Student Educational Advancement
				Student Affairs - Student Life
				Student Affairs - Student Wellness
				Student Affairs - Other

Attachment D