



AUDIT AND ADVISORY SERVICES
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September 25, 2017

Alexander Bustamante
Senior Vice President and Chief Compliance and Audit Officer
UC Office of the President

Senior Vice President Bustamante:

We have completed our assessment of campus executive travel to ensure its alignment with the university travel policy in accordance with the Institute of Internal Auditors' *Standards for the Professional Practice of Internal Auditing* and the University of California Internal Audit Charter.

Objective and Scope

The objective of our audit was to evaluate the compliance of travel conducted by campus senior management group (SMG) members under university travel policy, Business and Finance Bulletin G-28, *Travel Regulations*, including the overall reasonableness of internal controls to ensure compliance with the travel policy, and to identify any patterns of policy violation or abuse of university resources that might exist.

As defined by the UC Office of the President Office of Ethics, Compliance and Audit Services, our scope was limited to trips completed in calendar year 2016 by selected SMG members. All SMG members holding the SMG position for at least some portion of 2016 were included in our review, except for those who, as of April 2017, were no longer with the campus. In addition, because of a separate concurrent audit related to the Chancellor's transition, it was agreed to with the UC Office of the President that our review would not include the Chancellor's travel expenses or related processes.

Procedures Performed

In addition to obtaining an understanding of management's processes and control activities, we reviewed 100% of the approved travel reports in scope. We identified the population of travel reports through reporting available in the campus travel reimbursement system.

Conclusion

Based on the travel reports reviewed, SMG travel appears generally compliant with university travel policy. We identified isolated opportunities to reinforce certain more granular aspects of the policy; however, none of the exceptions noted were deemed material and we did not find evidence of a pattern or practice of policy violations or abuse of university resources by any SMG members.

Thank you for the opportunity to serve you.

Respectfully reported,

Wanda Lynn Riley
Chief Audit and Risk Executive

Jaime Jue
Associate Director

Jennifer Jones
Principal Auditor

cc: Executive Vice Chancellor and Provost Paul Alivisatos
Associate Executive Vice Chancellor and Provost and Chief of Staff Phyllis Hoffman
Associate Chancellor Khira Griscavage
Assistant Vice Chancellor and Controller Delphine Regalia