

UCLA AUDIT & ADVISORY SERVICES



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April 25, 2018

SENIOR VICE PRESIDENT/CHIEF COMPLIANCE AND AUDIT OFFICER ALEX BUSTAMANTE
EXECUTIVE VICE CHANCELLOR AND PROVOST SCOTT WAUGH:

Re: Annual Report on Executive Compensation Review Audit #18-604003

UCLA Audit & Advisory Services (A&AS) performed a review of the Annual Report on Executive Compensation (AREC). The purpose of the review was to ensure that the 2017 AREC was complete and accurate before being certified and submitted by local officials to the University of California Office of the President (UCOP). Additionally, A&AS determined that the data included in the report was in accordance with the guidelines set forth by UCOP.

The scope of the AREC review encompassed 18 employees in a Senior Management Group (SMG) position, 12 athletic positions, and 29 Management and Senior Professionals (MSP). Pursuant to UCOP guidelines, the population subject to reporting included active University employees as of December 31, 2017, that met the following criteria:

- All incumbents in the SMG personnel program regardless of total cash compensation.
- All "Officers of the University" regardless of total cash compensation.
- All "Administrators" that are in the MSP personnel program whose total compensation exceeds the reporting threshold, currently \$310,000.
- Other Specified Employees which includes Athletic Directors, Coaches, and other athletic positions whose total compensation exceeds the reporting threshold.

As part of the AREC review, A&AS verified the following:

- The reportable population was properly identified.
- Senior Leadership Information System (SLIS) reporting criteria was consistently applied.
- Salary actions were approved by the appropriate delegated authority.
- UCLA's Payroll Personnel System properly reflected approved salary actions.
- Certifications and questionnaires were properly completed and reconciled to all compensation reported on the AREC.
- The UCLA Payroll Department completed the reconciliation of W-2s for all reported UCLA executives.

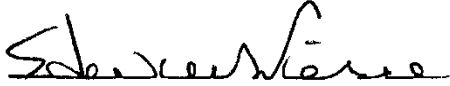
A&AS worked in conjunction with local campus authorities to ensure the integrity of the AREC. The final AREC was accurate and completed in accordance with UCOP guidelines.

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Please feel free to contact us if we can be of further assistance.

A handwritten signature in black ink, appearing to read "Edwin D. Pierce". The signature is fluid and cursive, with a prominent initial "E".

Edwin D. Pierce, CPA, CFE
Director

cc: M. Beck
L. Levin

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