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November 21, 2025

Marc Fisher
Vice Chancellor
Administration

Vice Chancellor Fisher:

We have completed our audit of leave administration as per our annual service plan in accordance with the Institute of Internal Auditors' *Global Internal Audit Standards* and the University of California Internal Audit Charter.

Our observations with management action plans are detailed in the accompanying report. Please destroy all copies of draft reports and related documents. Thank you to the staff of People & Culture and Berkeley Regional Services for their cooperative efforts throughout the audit process. Please do not hesitate to call on Audit and Advisory Services if we can be of further assistance in this or other matters.

Respectfully reported,

Jaime Jue

Jaime Jue
Assistant Vice Chancellor and Campus Internal Audit Director

cc: Associate Vice Chancellor Eugene Whitlock
Assistant Vice Chancellor Seamus Wilmot
Director Sharon Johnson
Assistant Vice Chancellor and Chief of Staff Courtney Chandler
Chief Campus Ethics, Compliance and Risk Officer and Associate Chancellor Khira Griscavage
Associate Vice Chancellor and Controller Michael Riley
Senior Vice President and Chief Compliance and Audit Officer Alexander Bustamante
Deputy Systemwide Audit Officer Matthew Hicks



AUDIT AND ADVISORY SERVICES

Human Resources – Leave Administration Audit Project No. 25-797

November 21, 2025

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**University of California, Berkeley
Audit and Advisory Services
Human Resources – Leave Administration**

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OVERVIEW

Executive Summary

Our audit of leave administration was performed as part of our fiscal year 2025 campus internal audit plan. The purpose of the audit was to evaluate the design and operating effectiveness of selected campus processes and internal controls related to various kinds of personal and administrative leaves from work.

Our audit scope included leaves coded as medical and personal leave in UCPath for non-represented career and contract staff only (employees covered by PPSM policies). Process areas assessed included procedures for placing employees on leave, monitoring their leave status, and returning them to work from leave.

Medical leave, as defined and coded in UCPath, can include leave protected by the Family and Medical Leave Act (FMLA), and/ or California Family Rights Act (CFRA), or unprotected leave which is available in cases where employees require medical leave but are not eligible for FMLA or other similar programs (collectively referred to Family and Medical Leave (FML)). Although certain medical leave cases in our review were designated as being covered by FML, our audit did not entail an assessment of FML compliance. Personal leave is used for a wide variety of reasons and is usually granted when the employee is not eligible for any other types of leave, but still requires time away from work.

Protected medical leave is administered centrally by the People & Culture Benefits team, while unprotected medical leave and personal leave are generally managed by the employee's home department or by Berkeley Regional Service. Other departments, including but not limited to Employee and Labor Relations, the American with Disabilities Act (ADA) Coordinator within People & Culture, and/or Disability Management Services may also be involved in some cases. Unprotected medical leave and personal leave may be granted at the discretion of the unit.

Based on our work performed, processes appear reasonably well controlled in general. However, we identified a foundational need to formally establish and document roles and responsibilities across the end-to-end leave administration process to ensure stakeholder awareness of accountabilities and to promote consistency in practices. This is particularly important in that roles and responsibilities vary depending on the type and duration of leave, further increasing the risk that key employees in the process may not be aware of their responsibilities or that responsibility may not be assigned for critical process steps.

Our findings and recommendations for areas for management response and action are detailed more fully in the next section of our report. We have discussed our report with management, and they have proposed corrective actions that, if implemented, should address the risks noted in our audit findings.

Source and Purpose of the Audit

Our audit of leave administration was performed as part of our fiscal year 2025 campus internal audit plan. The purpose of the audit was to evaluate the design and operating effectiveness of selected campus processes and internal controls related to various kinds of personal and administrative leaves from work.

Scope of the Audit

Our audit scope was limited to processes related to medical and/or personal leaves for non-represented career and contract staff (employees covered by PPSM policies), and included leave transactions processed during the period January 2023 to May 2025.

Areas of focus included procedures and controls for placing employees on leave, monitoring their leave status, and returning them to work in order to ensure that:

- leaves are properly approved and necessary documentation is gathered and retained;
- leaves and returns-from-leave are accurately recorded in UCPath on a timely basis;
- the status of employees on leave is effectively monitored;
- necessary documentation is obtained for longer term leaves, as required;
- extensions of expected return dates are valid; and
- employees returning from leave are properly approved to return.

Audit procedures included interviews with key campus stakeholder units, including People & Culture and Berkeley Regional Services (BRS). We also reviewed related campus- and regional-level process and procedural documentation, and performed detailed reviews of a sample of staff leave administration records to confirm our understanding of processes and to assess compliance with the key process objectives described above.

Medical leave, as defined and coded in UCPath, can include leave protected by the Family and Medical Leave Act (FMLA), and/ or California Family Rights Act (CFRA), or unprotected leave which is available in cases where employees require medical leave but are not eligible for FMLA or other similar programs (collectively referred to Family and Medical Leave (FML)). Although certain medical leave cases in our review were designated as being covered by protected FML programs, our audit did not entail an assessment of FML compliance.

Background Information

The need for leaves of absence can arise for a multitude of reasons and the University provides a range of leave programs for employees. Within UCPath, there are over 25 categories of leave; medical leave and personal leave are two such categories.

As defined and coded in UCPath, medical leave can be protected by FML programs, or can be unprotected, which is available in cases where employees require medical leave but are not eligible for FML. Personal leave is used for a wide variety of reasons and is usually granted when the employee is not eligible for any other types of leaves, but still requires time away from work.

Protected medical leave is administered centrally by the People & Culture Benefits team, while unprotected medical leave and personal leave are generally managed by the individual department or the supporting BRS team. Depending on the type and circumstance of the leave, there may be additional units involved in the process as well, including but not limited to Employee and Labor Relations, the ADA Coordinator within People & Culture, and/or Disability Management Services.

Leave policies for non-represented employees across campus are governed by the *UC PPSM-2.210: Absence from Work* policy. The policy establishes leave eligibility requirements and certain definitions and principles, but does not prescribe specific requirements for the administration of employee leave that were directly relevant to the scope of our audit.

Summary Conclusion

Based on our work performed, processes appear reasonably well controlled in general. However, we noted that although coordination and communication occur across units involved in the administration of medical and personal employee leave, roles and responsibilities within this process have not been formally established and documented. As a result, we noted inconsistencies in certain key steps in the process, including those pertaining to protocols for communication across stakeholder units, monitoring of employee leave status, and case documentation. The need for documented process information and accountabilities is particularly important in that roles and responsibilities vary depending on the type and duration of leave, further increasing the risk that key employees in the process may not be aware of their responsibilities or that responsibility may not be assigned for critical process steps.

Our findings and recommendations for areas for management response and action are detailed more fully in the following section. We have discussed our audit observations with management, and they have proposed corrective actions that, if implemented, should address the risks noted in our audit findings.

AUDIT OBSERVATIONS, MANAGEMENT RESPONSES, AND ACTION PLANS

1 – Roles and Responsibilities

Observation Summary	Roles and responsibilities for the administration of medical and personal leave have not been formally established and documented to ensure accountabilities, minimum requirements, and consistency in practices across campus units involved in the process.
Criteria (if available)	Effective organizational performance management and accountability are fostered. Coordination of activities and communication of information among the various governance groups occur as needed.
Risk Statement	Without documented roles and responsibilities, key employees in the process may not be aware of their responsibilities and/or responsibility may not be assigned for critical process steps, hindering the effectiveness and efficiency of leave administration processes.
Recommendation	<p>We recommend that People & Culture, in partnership with BRS and other key stakeholders as identified by management formally delineate, document, and communicate the end-to-end procedures, key controls, and roles and responsibilities for employee medical and personal leave administration.</p> <p>Examples of this documentation might include a business process narrative or flow chart with key control points described, as well as a document to clearly delineate roles and responsibilities, such as a “RACI” (Responsible, Accountable, Consulted, and Informed) matrix.</p>
Observation – Background and Discussion	<p>Roles and responsibilities for the administration of medical and personal leave have not been formally established and documented to ensure accountabilities, minimum requirements, and consistency in practices across campus units involved in the process.</p> <p>There are multiple units involved in the administration of medical and personal leave, including the employee’s home department, the supporting BRS unit, the People & Culture Leave Benefits team, and potentially other units, including but not limited to Employee and Labor Relations, the ADA Coordinator within People & Culture, and/or Disability Management Services. Roles and responsibilities associated with the leave administration across these offices vary depending on the type and duration of leave, and there are instances in which the circumstances of an individual employee’s leave may change over the course of their absence from work, necessitating the involvement of different units at different times.</p> <p>Although coordination and communication occur across units, the overall business process flow and roles and responsibilities within this process have not been formally established and documented to ensure</p>

	<p>accountabilities, minimum requirements and consistency in practices. Stakeholders we interviewed as part of our audit stated that it is not always clear to them what their responsibilities are with respect to individual leave cases, and that communication and pass-offs between units are sometimes not timely.</p> <p>In addition, in the sample of leave cases we reviewed, we noted variations in the handling of leave cases that also indicate a need for further clarification around responsibilities to ensure that key controls are consistently performed. Procedural steps noted to have inconsistencies in the cases reviewed include: notifications to stakeholders upon approval of leave requests; monitoring and communication regarding the status of employees on leave; verification of employee return to work dates; and inconsistent document retention and/or incomplete records.</p>
Management Corrective Action	In collaboration with Berkeley Regional Services and other relevant stakeholder units, People & Culture leadership will assess, define, and document the roles, responsibilities, key requirements, and procedural steps involved in administering leaves contemplated under PPSM-2.210 included in the scope of the audit, including leaves that may fall under multiple categories during their lifecycle. The targeted completion date to finalize and communicate the completed process documentation by June 30, 2026
Responsible Party	Associate Vice Chancellor – People & Culture
Estimated Completion Date	June 30, 2026

OTHER PROCESS IMPROVEMENT OPPORTUNITIES

Process Improvement Opportunity 1 – Guidance for Extended Non-Protected Leaves

When employees have a need to take leaves of absence that are not protected by law, policy, or contract, supervisors must determine on a case-by-case basis whether and for how long to approve such leave. In cases of extended absences from work, there are often operational impacts to the unit that arise in that the employee cannot be replaced while on leave and budgetary constraints may preclude hiring of temporary support. A central area of concern that emerged in our discussions with stakeholders was their perception of a lack of guidance and support for handling extended leaves with respect to balancing the potentially conflicting goals of preserving the employee's job while minimizing operational impacts to the unit. We recognize that these situations often entail unique sets of fact that require individual solutions; however, management may wish to consider whether guidance can be made available to departments to help them more efficiently and consistently approach their decision-making where approval of leave is at the sole and voluntary discretion of the department.