

UC Santa Barbara Audit and Advisory Services

FY 2025-26 Audit Services Plan



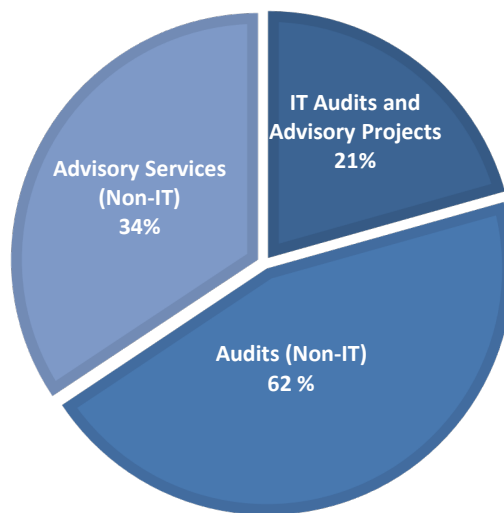
UC SANTA BARBARA

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2025-2026 AUDIT SERVICES PLAN PROJECT WORK

■ IT Audits and Advisory Projects ■ Audits (Non-IT) ■ Advisory Services (Non-IT) ■



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AUDIT AND ADVISORY SERVICES
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May 23, 2024

To: VC Chancellor- CFO Chuck Haines
Chair, UCSB Audit Committee

UCSB Audit Committee Members

Re: **FY 2025-26 Audit Services Plan**

I am pleased to submit the final version of the FY 2025-26 Audit Services Plan for your consideration and approval.

In consultation with campus management, we develop an annual audit services plan based on a risk assessment methodology utilized across the UC system and augmented to address local needs and risks. The plan is reviewed and approved by the UCSB Audit Committee prior to submission to the Senior Vice President and Chief Compliance and Audit Officer (and ultimately The Regents), and is subject to the approval of the UCSB Chancellor.

The proposed FY 2025-26 plan:

- Reflects a continued emphasis on supporting initiatives enhancing campus efficiency and effectiveness, including audits and advisory projects designed to support the implementation of new enterprise systems and to evaluate IT general controls.
- Continues a multi-year emphasis on information security and disaster recovery.
- Comprehends essential business practices and internal controls in campus departments and other processes not recently audited.

We have also included hours for outreach and presentations, including training, and coverage of areas of immediate concern by senior leadership and other stakeholders.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ashley Andersen".

Ashley Andersen
Director
Audit and Advisory Services

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II. Information Technology



- Information Security
- Financial Management Modernization (FMM)

**UC Santa Barbara – Audit and Advisory Services
Proposed FY 24-25 Audit Services Plan**

Project Description	Primary Organization	Prior Related Work (Past 10 Years)
Information Security		
<p>IT: Compliance with President's Cybersecurity Letter – Systemwide</p> <p>A systemwide audit to assess compliance with the directives outlined in the President's February 2024 letter, including standards for security awareness training, incident escalation, and implementation of key technical controls such as Endpoint Detection and Response (EDR), Multi-Factor Authentication (MFA), and Data Loss Prevention (DLP).</p> <p><i>Project Type: Audit 350 hours; 2nd to 3rd quarter</i></p>	<ul style="list-style-type: none"> ■ EVC / Office of the CIO ■ Campus-wide 	<p>IS-3 Policy - FY20-21</p>
<p>IT: Implementation of UC Policy IS-12 (Phase II)</p> <p>The assessment of the implementation of UC Policy IS-12 was divided into two phases. Phase I was performed in fiscal year 2024-25, and it defined a framework of the areas required to be implemented by UC Policy IS-12. Audit and Advisory Services will perform detailed audit fieldwork to assess the implementation of selected IS-12 compliance areas of the framework defined in phase I.</p> <p><i>Project Type: Audit 300 hours; 2nd quarter</i></p>	<ul style="list-style-type: none"> ■ EVC / Office of the CIO ■ Campus-wide 	<p>North Hall Data Center Physical Security - FY 15-16</p> <p>IS-3 Policy - FY20-21</p> <p>Disaster Recovery /Business Continuity - FY20-21</p> <p>Implementation of UC Policy IS-12 (Phase I) - FY24-25</p>

**UC Santa Barbara – Audit and Advisory Services
Proposed FY 24-25 Audit Services Plan**

Project Description	Primary Organization	Prior Related Work (Past 10 Years)
Financial Management Modernization (FMM)		
<p>IT: Financial Management Modernization Program Post Implementation Review - Limited Scope</p> <p>Audit and Advisory Services will review the successes and failures of the Financial Management Modernization Program after it has been implemented and make recommendations concerning correcting any adverse issues. Areas to be covered will be selected based on risk and may include some of the following areas:</p> <ul style="list-style-type: none"> • Oversight and governance • Communication and Coordination • Organization readiness/training • Adequate resources • Project plan and timeline • Project cost • Project documentation • Interfaces with other campus systems • Data cleansing and conversion • Testing and gap resolution <p><i>Project Type: Audit 300 hours; 4th quarter</i></p>	<ul style="list-style-type: none"> ■ EVC / Office of the CIO ■ Finance & Resource Management ■ Campus-wide 	<p>None Identified</p>

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III. Non-IT Services



- Academic Units and Institutes
- Research
- Core / Other Business Processes
- Compliance
- Other Initiatives

Project Description	Primary Organization	Prior Related Work (Past 10 Years)
Academic Units and Institutes		
<p>Endowment Fund Expenses - University Library</p> <p>Audit and Advisory Services will assess the current use of gift funds, endowments, and funds functioning as endowments in the University Library. This includes determining related expenses processed according to donor intent and the University's policies and procedures.</p> <p><i>Project Type: Audit</i> <i>300 hours; 1st quarter</i></p>	<ul style="list-style-type: none"> ▪ EVC ▪ Librarian 	<p>University Library - FY 20-21</p> <p>Special Collections - Physical Security - FY 24-25</p>
<p>Internal Control Review - Electrical and Computing Engineering</p> <p>Audit and Advisory Services will evaluate effectiveness, efficiency, compliance, and/or the adequacy of internal controls in one or more areas selected based on risk, with possible coverage of budgeting, revenue (e.g., billing, accounts receivable, and cash), procurement, payroll, and/or other areas.</p> <p><i>Project Type: Audit</i> <i>300 hours; 3rd quarter</i></p>	<ul style="list-style-type: none"> ▪ EVC 	<p>College of Engineering - FY 18-19</p>
Research		
<p>Section 117 Foreign Gift and Contract Reporting</p> <p>Audit and Advisory Services will assess the internal controls and the processes to oversee the completeness and accuracy of foreign gifts and contracts reporting and compliance with Section 117 requirements.</p> <p><i>Project Type: Audit</i> <i>300 hours; 4th quarter</i></p>	<ul style="list-style-type: none"> ▪ Office of Research ▪ Office of Development ▪ Student Affairs ▪ EVC 	<p>Foreign Influence - FY20-21</p>

Project Description	Primary Organization	Prior Related Work (Past 10 Years)
Core / Other Business Processes		
<p>UCSB Benefits for Non-full-time Employees</p> <p>Audit and Advisory Services will assess whether controls are in place to track employee eligibility benefits as defined in the policy. This should also include determining whether full-time employees who reduce their work hours to the point they are not eligible for full benefits would continue receiving 100% benefits.</p> <p><i>Project Type: Audit 300 hours; 2nd quarter</i></p>	<ul style="list-style-type: none"> ■ Campus-wide ■ EVC/ITS ■ VC Administrative Services Finance & Resource Management 	<p>IT: UCPATH Separations of Duties - FY 22-23</p> <p>UCPATH Payroll Operations – Systemwide FY 24-25</p>
<p>Off-cycle Payroll</p> <p>Audit and Advisory Services will analyze data and assess the review and approval process for off-cycle pay to ensure that it is reasonable and in compliance with applicable university policies.</p> <p><i>Project Type: Audit 300 hours; 2nd quarter</i></p>	<ul style="list-style-type: none"> ■ Campus-wide ■ EVC/ITS ■ VC Administrative Services ■ Finance & Resource Management 	<p>IT: UCPATH Separations of Duties - FY 22-23</p> <p>UCPATH Payroll Operations – Systemwide - FY 24-25</p>
<p>Financial Placeholder</p> <p>We have reserved hours for coverage of a financial-related area or another area of interest to senior leadership.</p> <p><i>Project Type: Audit 270 hours; 2nd quarter</i></p>	<ul style="list-style-type: none"> ■ Campus-wide ■ Finance & Resource Management 	<p>None Identified</p>

Project Description	Primary Organization	Prior Related Work (Past 10 Years)
<p>Operational Efficiency (Systemwide)</p> <p>A systemwide advisory services project focused on identifying opportunities to streamline processes by calibrating internal controls, eliminating unnecessary procedures, and leveraging technology. Specific scope areas are to be determined.</p> <p><i>Project Type: Advisory</i> <i>350 hours 2nd to 3rd quarter</i></p>	<ul style="list-style-type: none"> ■ Campus-wide 	<p>None Identified</p>
<p>Emergency Management</p> <p>Audit and Advisory Services will assess whether roles and responsibilities are appropriate to identify and assess risks effectively and whether the current campus safety plan, procedures, and practices are effective and consistent with university policies to:</p> <ul style="list-style-type: none"> - Respond and deal with protests and interruptions. - Declare an emergency to shut down the campus. - Other related areas <p><i>Project Type: Audit</i> <i>300 hours; 1st quarter</i></p>	<ul style="list-style-type: none"> ■ VC Student Affairs 	<p>Associated Students Internal Control Review</p> <ul style="list-style-type: none"> - FY 15-16
<p>Travel and Entertainment Analytics (Systemwide)</p> <p>A systemwide advisory services project to develop and implement data analytics routines for travel and entertainment expense data, designed to assist management in monitoring policy compliance and identifying potential cost savings.</p> <p><i>Project Type: Advisory</i> <i>350 hours; 2nd to 4th quarter</i></p>	<ul style="list-style-type: none"> ■ Campus-wide ■ Finance and Resource Management 	<p>Procurement Card Program</p> <ul style="list-style-type: none"> - FY 20-21

Project Description	Primary Organization	Prior Related Work (Past 10 Years)
Compliance		
<p>Compliance Function</p> <p>Audit and Advisory Services will assess the compliance function at UCSB. The purpose is to evaluate the consistency of the function in a decentralized model and to identify potential gaps or inefficiencies. The scope of this assessment could include a benchmark comparing different UC campuses.</p> <p><i>Project Type: Advisory 300 hours; 23rd quarter</i></p>	<ul style="list-style-type: none"> ■ Campus-wide ■ VC Administrative Services 	None Identified
Other Initiatives		
<p>Data Analytics Program - Development and Collaboration</p> <p>We have set aside hours for training and other activities for the development of our data analytics program, including possible collaboration with Business & Financial Services.</p> <p><i>Project Type: Advisory 300 hours; Full Year</i></p>	<ul style="list-style-type: none"> ■ Finance and Resource Management ■ Campus-wide 	
<p>Outreach, Training, and Presentations</p> <p>We will continue our Ethics and Fraud presentation series as part of the Controller's Financial Management Certificate Program, Sponsored Projects Training for Administrators in Research (STAR), UCPATH Basics classes, and other programs.</p> <p><i>Project Type: Advisory 280 hours; Full Year</i></p>	<ul style="list-style-type: none"> ■ Campus-wide 	

UC SANTA BARBARA

University of California, Santa Barbara

Audit and Advisory Services

FY 2025-26 Audit Services Plan

<u>Name/Title</u>	<u>Planned Hours</u>	<u>Est. Qtr. Completion</u>
<u>Prior Year Audits Not Completed:</u>		
Hours for Prior Year Audits Not Completed	325	09/30/25
<u>Planned New Audits:</u>		
▪ Endowment Fund Expenses - University Library	300	09/30/25
▪ Emergency Management	300	09/30/25
▪ UCSB Benefits for Non-full-time Employees	300	09/30/25
▪ Implementation of UC Policy IS-12 (Phase II)	300	12/31/25
▪ "Financial" Placeholder	270	12/31/25
▪ Off-cycle Payroll	300	12/31/25
▪ Compliance with President's Cybersecurity Letter (Systemwide)	350	03/31/26
▪ Internal Control Review - Electrical and Computing Engineering	300	03/31/26
▪ Financial Management Modernization Program Post Implementation Review - Limited Scope	300	06/30/26
▪ Section 117 Foreign Gift and Contract Reporting	300	06/30/26
Planned New Audits	3,020	
Planned Supplemental Audits	430	
Audit Follow Up	425	
Total Planned Audit Program	4,200	
<u>Planned Advisory Services:</u>		
▪ Compliance Function	300	12/31/25
▪ Operational Efficiency (Systemwide)	350	03/31/26
▪ Travel and Entertainment Analytics (Systemwide)	350	06/30/26
▪ Data Analytics Program - Development and Collaboration	300	06/30/26
▪ Outreach, Training, and Presentations	280	06/30/26
Planned Advisory Services	1,580	
Unplanned Advisory Services	1,030	
Total Advisory Services	2,610	
Planned Investigation Hours	120	
Total Audits, Advisory Services, and Investigations	6,930	