



NEW DEPARTMENT CHAIR WORKSHOP

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RYAN DICKSON, AUDIT MANAGER

AUDIT & MANAGEMENT ADVISORY SERVICES

UC Ethics, Compliance, and Audit Services

Internal Audit Mission

The mission of the University of California (UC) internal audit is to provide the Regents, President, campus Chancellors and Laboratory Director **independent and objective assurance and consulting services designed to add value and to improve operations**. We do this through communication, monitoring and collaboration with management to assist the campus community in the discharge of their oversight, management, and operating responsibilities. Internal audit brings a **systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes**.

UC Davis Audit & Management Advisory Services

We work for the UC Davis Office of the Chancellor and for the UC Office of Ethics, Compliance, and Audit Services.

Dual reporting affords us independence and objectivity.

What we produce

Audits, Advisory Services, Administrative and Transition Reviews, Investigations, Small Consultations, External Audit Coordination

Work products are typically delivered in the form of reports to engagement stakeholders; the UC Office of Ethics, Compliance, and Audit Services; and the UC Davis Audit Committee.

Audit reports are posted on the public-facing UC Reporting Transparency website (auditreports@ucop.edu), unless outweighed by a public interest in their confidentiality.

Our reports often make recommendations related to control weaknesses or significant opportunities, and stakeholders are expected to respond to recommendations with a commitment to specified action within a specified time period.

AMAS Professional Staff

4 Certified Public Accountants (CPA)

4 Certified Internal Auditors (CIA)

1 Certified Information Systems Auditor (CISA)

1 Certified Fraud Examiner (CFE)

1 Certified Government Auditing Professional (CGAP)

1 Certified Healthcare Internal Audit Professional (CHIAP)

1 Information Technology Infrastructure Library (ITIL-3)

1 Project Management Professional (PMP)

2 licenses to practice law in the State of CA

Meet Some of the Staff

Mariyam Azam, Senior Auditor

Hannah Keeshan, Senior Auditor

A Department's most critical control point is its Chair.

This means that the Chair is often the driver of good, or enabler of bad practices in the areas of:

Financial integrity

Compliance with University policy and relevant law

Health and Safety

Cybersecurity

How does a Chair accomplish this control?

Be informed = know the theory -- law/policy; understand the existing control environment -- have the conversations with your SMEs, this will be departmental admin and IT manager and school/college admin and IT manager; ask tough questions; Expect that what you inherit can be improved upon.

Talk about controls = Make time at department meetings to discuss things like: How to get reimbursed for travel, when to report COI and COC, how to file a form 700, who counts as a reportable near relative, what everyone needs to do to ensure cybersecurity...Highlight university emails to staff about administrative responsibilities.

Spend political capital = Directing the department's time and attention to administrative controls will not be popular in the short term but will prove essential for keeping everyone's time and work safe.

Critical Department Practices

Approvals:

Understanding what you are approving helps you stay informed about your department's finances.

It is unfortunate to find Chairs' and others' approvals on transactions that are clearly fraudulent.

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Critical Department Practices

Grant Monitoring:

Make sure PIs are monitoring grants to ensure expenses are allowable and allocable.

PI is in the best position to assess appropriateness.

Lack of oversight regarding extramural funding creates a huge vulnerability.

Critical Department Practices

Separation of duties:

Different components of a transaction should be performed by different, independent people.

The person authorizing should have sufficient knowledge to vouch for validity of the transaction.

Critical Department Practices

General Ledger Reviews:

Who looks at your financial statements?

- Your Dean or VC– Quarterly Ledger Review
- Your MSO – Managerial Ledger Review
- Your fiscal officer – Analytical Ledger Review

Use FIS 420 to see if any of your department's reviews are past due.

Information Security

Chairs are becoming more responsible for information security:

UC Electronic Information Security Policy BFB-IS-3

One of your most important relationships is with your IT manager.

Ask about your department's Information Security Management Plan.

We're Here to Help!

Audit and Management Advisory Services is available to assist you. Don't hesitate to contact us and take advantage of our advisory services.

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