

2010-105 AUDIT SCOPE AND OBJECTIVES—University of California’s Revenues and Expenditures

The audit by the Bureau of State Audits will provide independently developed and verified information related to the University of California and would include, but not be limited to, the following:

1. Review and evaluate the laws, rules, and regulations significant to the audit objectives.
2. Identify the major sources of UC’s public funding over the most recent five fiscal years, including funding awarded by the federal government.
3. Review and evaluate the policies and practices UC uses to track and allocate public funds.
4. For the past five fiscal years, determine how the UC has spent its state appropriation, student fees, funds it receives from the federal government to administer grants, and any inflationary increases in grants.
5. Review and evaluate the procedures and practices used by UC to track and make adjustments to nonsalary expenditure categories such as travel, consultants, entertainment, and general supplies.
6. Assess UC’s policies and practices for tracking per-student expenditures for instruction. In addition, identify the average amount per student UC has spent on instruction for undergraduate students each year for the past five fiscal years.
7. Determine how UC internally defines restricted funds. For those public funds identified in objective 2 on the previous page, determine the amount for which providers have placed restrictions on their use.
8. Obtain UC’s definition of an “auxiliary organization” and determine the following :
 - a. The number of auxiliary organizations that exist in the UC system.
 - b. The methods used by UC to track the revenues generated by auxiliary organizations and the expenditure of those revenues.
 - c. The policies and practices the UC uses to ensure that state funds are not used to supplement or guarantee projects or programs authorized by these auxiliary organizations.