University of California

Analysis of Travel and Entertainment Expenses and Other Payments

May 17, 2006
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Scope

• 3 year period beginning 1/1/03 and ending 12/31/05
• Analysis of travel and entertainment expense payments and non-payroll related direct payments to selected individuals and payments made to third parties on behalf of selected individuals
• Selected individuals generally include current incumbents and past holders of the top 32 senior manager positions
  – 39 individuals included for analysis
Procedures Performed

• Requested electronic data from the University for:
  – Travel and entertainment expense payments
  – Any other non-payroll payments made directly to the individual
  – Any payments made on behalf of the individual to third parties

• Selected samples per defined criteria and requested supporting documentation from the University

• Reviewed supporting documentation to assess
  – Agreement to sample selection
  – Compliance with applicable University policies
  – Approval
Findings and Recommendations

• Most of the expenditures analyzed were in accordance with University policies and were supported by appropriate documentation.

• In order to ensure that expenditures comply with University policies and are appropriately approved, we noted the following opportunities for improvement:
  
  - Provide training to all approvers of travel and entertainment expenses. Training should include guidance on permitted expenses and documentation requirements;
  
  - Require all approvers to clearly document their review and approval; and
  
  - Perform on-going monitoring and oversight to ensure adherence to policies and procedures.