Role of the Controller

Don Larson, UCSD Controller
Newport Beach
June 3, 2008

Who are the UC Controllers?

Berkeley—John Ellis
Davis—Mike Allred
Irvine—Rich Andrews
Los Angeles—Sue Abeles
Merced—Steve Dolmseth
Riverside—Bobbi McCracken
San Diego—Don Larson
San Francisco—Susan Lin
Santa Barbara—Jim Corkill
Santa Cruz—Kirk Lew
DANR—Jake McGuire
LBNL—Jeffrey Fernandez
LLNL—Linda Rakow
LANL—Glen Kizer
Key Questions to Answer on Controllership

- Who is responsible?
- Why should you care?
- What is causing more risk in control?
- How can we make our culture stronger?
- Why is it important for us to work together?
- When does this need to happen?

Responsibility for Accountability and Control

INTERNAL AUDIT
UC Average Daily Expenditures

<table>
<thead>
<tr>
<th>Location</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Los Angeles</td>
<td>$12,265,000</td>
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<tr>
<td>San Francisco</td>
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<td>DOE Labs</td>
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<td>TOTAL</td>
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Increased Risk in Control Reporting

- SAS112—Significant tightening of standards for reporting control deficiencies.
- Auditor reports would be public record.
- Key Controls must (1) exist, (2) be working effectively, & (3) be documented.
- Department level key controls:
  - Verification/Reconciliation
  - Financial Report Reviews
- Deficiency Reporting Risk is High.
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**Business Officer Institute**

**People**

- Education and Development.

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**A Model For Improvement**

**A New Template:**

[Image of UC 2010 New Business Architecture]

http://uc2010.ucsd.edu
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Strengthen Our Culture

**Stmt. Of Ethical Values**
- Integrity
- Excellence
- Accountability
- Respect

**Stds. Of Ethical Conduct**
- Individual Responsibility & Accountability
- Compliance with Regulations & Policy
- Conflicts of Interest
- Internal Controls
- Financial Reporting

http://www.universityofcalifornia.edu/compliance/ethics/welcome.html

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**It Starts At The Top**

- Senior Leadership
- ERM Committee
- Compliance Committee
- Audit Committee
Emerging Methods

- Control Self-Assessment

“I See You Need to Improve Segregation of Duties Over Payroll”

A Key Opportunity

- Engaging and Collaborating With Faculty
Let’s Stand Together

• Building Relationships

A Common Vision

NOW Is The Time