

## **2016-125 AUDIT SCOPE AND OBJECTIVES**

### **University of California—Contracted Employees and Contracting Practices**

The audit by the California State Auditor will provide independently developed and verified information related to University of California's (UC) contracting practices and contracted employees, and will include, but not be limited to, the following:

1. Review and evaluate the laws, rules, and regulations significant to the audit objectives.
2. Determine whether UC and its campuses' contracting policies and procedures are in compliance with applicable federal and state laws and regulations as well as with best practices for procurement.
3. For a selection of service contracts, determine UC's compliance with applicable laws, regulations, policies, and procedures.
4. For the past five years for the UC Office of the President—and to the extent possible for its campuses—determine the types of contracts, procurement methods, and types of goods and services purchased by UC via contracts.
5. For service contracts, to the extent possible, compare the compensation and benefits of UC employees to those of contract employees in comparable positions and identify trends. Include an analysis of per-employee cost based on the total contract amount.
6. Analyze how UC is managing information technology contracts, including the contract for UCPATH, by doing the following:
  - a. Determine what contract oversight exists to ensure that information technology projects are delivered on time and on budget.
  - b. For UCPATH, assess the reasonableness of the project's increased cost and schedule delays.
  - c. Determine if UCPATH is adequately communicating project risks, costs, and delays with the Board of Regents.
7. To the extent possible, assess actions UC is taking to overcome contracting challenges and cost efficiencies.
8. Review and assess any other issues that are significant to the audit.