

SANTA CRUZ: OFFICE OF THE CHANCELLOR

October 20, 2023

To: UC Santa Cruz Local Audit, Compliance, Ethics and Risk Oversight Committee

Chair: Anna Finn, Associate Chancellor and Chief of Staff and CECO

Ex-Officio: Alexander Bustamante, Chief Compliance and Audit Officer (UC System)  
James Dougherty, Audit, Management and Advisory Services Director

Members: Associate Vice Chancellor for Budget Analysis and Planning, Kimberly Register  
Associate Vice Chancellor for Risk and Safety Services, Clement Stokes  
Campus Controller, Biju Kamaleswaran  
Campus Provost and Executive Vice Chancellor, Lori Kletzer  
Chair, Academic Senate, Patty Gallagher  
Chief Campus Counsel, Eréndira Rubin  
Convener, Academic Deans, Celine Parreñas Shimizu  
Vice Chancellor of Diversity, Equity and Inclusion and Chief Diversity Officer, Anju Reejhsinghani  
Vice Chancellor for Finance, Operations and Administration, Ed Reskin  
Vice Chancellor for Information Technology, Aisha Jackson  
Vice Chancellor for Research, John MacMillan  
Vice Chancellor for Student Affairs and Success, Akirah Bradley-Armstrong  
Vice Chancellor for University Relations, Mark Davis  
Vice Provost for Academic Affairs, Herbie Lee  
Vice Provost and Dean of Undergraduate Education and Global Engagement, Richard Hughey

Re: Charge letter for Audit, Compliance, Ethics and Risk Oversight Committee (ACER)

Thank you for your service on the UC Santa Cruz Audit, Compliance, Ethics and Risk Oversight Committee (ACER). This committee coordinates a range of compliance and accountability efforts on our campus and brings clarity and a comprehensive approach to our compliance, ethics, and risk management. As a combined audit and risk intelligence committee, this group has oversight of both the annual audit plan and our risk intelligence cycle.

**Purpose**

The UC Santa Cruz Audit, Compliance, Ethics and Risk Oversight Committee (ACER) assists Audit and Management Advisory Services by helping to ensure that its objectives and goals support those of UCSC and the University of California.

**ACER Composition and Chair**

ACER Oversight is chaired by the UC Santa Cruz Chief Ethics and Compliance Officer (CECO) and includes the UC system Chief Compliance and Audit Officer (CCAO) and Director of Audit and Management Advisory Services as ex officio members. A member of the chancellor's office provides staff support for the committee, including preparation of meeting agendas and coordinating meeting schedules.

The membership of ACER Oversight includes leaders in the following roles:

**Ex Officio**

Senior Vice President and Chief Compliance and Audit Officer, ex officio member  
Audit, Management and Advisory Services Director, ex officio member

**Chair**

Associate Chancellor and Chief of Staff and CECO, chair

**Members**

Associate Vice Chancellor for Budget Analysis and Planning  
Associate Vice Chancellor for Risk and Safety Services  
Campus Controller  
Campus Provost and Executive Vice Chancellor  
Chair, Academic Senate  
Chief Campus Counsel  
Convener, Academic Deans  
Vice Chancellor of Diversity, Equity and Inclusion and Chief Diversity Officer  
Vice Chancellor for Finance, Operations and Administration  
Vice Chancellor for Information Technology  
Vice Chancellor for Research  
Vice Chancellor for Student Affairs and Success  
Vice Chancellor for University Relations  
Vice Provost for Academic Affairs  
Vice Provost for Undergraduate Education

**Meeting Frequency**

ACER Oversight meets quarterly (or no less frequently than three times a year) and at least two weeks after ACER Workgroup meetings.

**Role in the Development of the Annual Audit Plan**

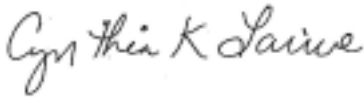
ACER Oversight participates in and reviews activities related to the development of the Annual Audit Plan, including risk identification and assessment. ACER Oversight reviews the proposed Annual Audit Plan and recommends its approval prior to its submission to the Chancellor who forwards the plan to the CCAO for consolidation into the systemwide Annual Audit Plan. Any changes to the Annual Audit Plan that result in approved audits being dropped from the current year's plan, even if it only involves the audit's deferral into a subsequent year, require the approval of ACER Oversight and the CCAO.

**Scope of Responsibilities**

For ACER Oversight to assist Audit and Management Advisory Services in carrying out its mission and maintaining its objectivity and independence, ACER Oversight's purview includes:

- A summary of progress against the Annual Audit Plan
- Proposed changes to the approved Annual Audit Plan
- Personnel changes and their impact on the completion of the Annual Audit Plan
- Current project-specific summaries of significant reports issued and their observations
- Major investigation activities and their impact on the program of regular audits
- Identification and assessment of emerging risks for consideration in future audit plans
- Proposal and identification of new and ongoing risk mitigation measures
- Summary of external activities and significant issues identified
- Open recommendations and/or management corrective actions from previously issued audit reports, especially for situations where senior management awareness could lead to more rapid action or the removal of barriers to action to improve controls
- On an annual basis, review of the proposed Annual Plan and an annual summary report of the activities conducted by the Internal Audit function during the year.

Sincerely,



Cynthia K. Larive  
Chancellor

cc: Alexander Bustamante, Senior Vice President and Chief Compliance and Audit Officer  
James Dougherty, Audit, Management and Advisory Services Director