LBNL FY27 INTERNAL AUDIT PLAN

The LBNL FY27 Internal Audit Plan describes the projects that will be performed in FY27 based on contractual requirements and results of our annual risk assessment. In addition to these projects, the plan also allocates resources as needed to potential supplemental projects, audit follow-up and investigations that may arise during the year. A summary list of all the projects can be found at the end of the document.

Internal Audit follows the principle of a flexible audit plan that includes adequate resources set aside for varying risk coverage and possible adjustments in the project mix should the need arise to respond effectively to evolving risks and emerging issues during the year.

Required Projects

1. **FY26 UCNL Home Office Costs**

   Based on DOE Contract 31 Clause H.4, the DOE Contracting Officer (CO) requests Internal Audit to perform an audit FY26 UCNL home office costs charged to LBNL. The CO provisionally approved home office costs of $2,017,045 for the 12-month period through September 30, 2026. The audit will verify if such costs are allowable, allocable, and reasonable, and within the terms of the DOE Contract. The results of the audit form the basis for DOE's approval and final determination of UCNL home office costs for FY27.

2. **FY27 OMB A-123 IT General Controls**

   This is an audit of selected information technology (IT) controls to support compliance with the Office of Management and Budget Circular A-123 (OMB A-123) requirements related to financial reporting, and as a component of the Federal Managers Financial Integrity Act (FMFIA). OMB A-123 defines management's responsibility for ensuring adequate internal controls reside within the financial processes and reporting structure throughout the Lab.

3. **Gift Administration and Reporting (Contractor Supported Research (CSR)) - Systemwide**

   A systemwide audit to evaluate the effectiveness of internal controls over gift administration and reporting. Areas of review will include donor vetting and screening, administration of donor intent, management of unspent gift balances and compliance with federal gift reporting requirements.

The gifts program audit will assess compliance with DOE Contract 31, Clause H.27 Contractor-Funded Institutional Supporting Research and Development, and LBNL policy requirements on the use of gift funds for research. The audit will evaluate the adequacy of internal controls over the gifts acceptance and administration process. The scope will include Contractor Supported Research funds from the Berkeley Lab Foundation, UC Fee, or other sources of UC funding.

4. **Access Management - Systemwide**

A systemwide audit to assess whether access to university and Laboratory systems and data is appropriately granted, monitored, reviewed, and removed, with a focus on user accounts, privileged access, service accounts, automated accounts, AI-enabled agents, and other high risk access pathways.

Risk-Based Projects

5. **7533956 Intra-University Transaction (IUT) - UCB EH&S Shared Services**

This is an audit of IUT #7533956 to UC Berkeley for Environment, Health & Safety (EH&S) services supporting LBNL-funded personnel working on the UC Berkeley campus. The scope will include a review of this cost-reimbursable IUT, with an estimated value of approximately $1,311,963.90 for compliance with the DOE Contract (Appendix G) and Procurement Standard Practice 44.1 (Intra-University Transactions). We will perform an audit of payments for the IUT during the period of performance up to FY22 to determine if the invoiced costs comply with the IUT agreement and are allowable and allocable.

6. **7701185 Intra-University Transaction (IUT) - UCB EH&S Shared Services**

This is an audit of IUT #7701185 to UC Berkeley for Environment, Health & Safety (EH&S) shared services supporting LBNL-funded personnel working on the UC Berkeley campus. The scope will include a review of this cost-reimbursable IUT, with an estimated value of approximately $1,164,627 for compliance with the DOE Contract (Appendix G) and Procurement Standard Practice 44.1 (Intra-University Transactions). We will perform an audit of payments for the IUT during the period of performance up to FY24 to determine if the invoiced costs comply with the IUT agreement and are allowable and allocable.

Advisory Service Projects

Reviews requested by clients intended to add value and improve the organization's governance, risk management and control process.

Supplemental Audits

Projects to be determined based on emerging and evolving risks, issues, and management requests for ad hoc reviews.

Audit Follow-Up

Verification of completion and evaluation of effectiveness of management actions performed as a result of prior audits.

Investigations

Investigation of whistleblower complaints and potential improper governmental activity, requested by Lab management, Locally Designated Official and the Investigation Workgroup.