



Report of Independent Accountants

To The Regents of the University of California

We have performed the procedures enumerated below, which were agreed to by the University of California, Los Angeles (the "Organization" or "University" or "UCLA") and the United States Department of Veterans Affairs ("VA"), solely to assist you in evaluating certain aspects of the Lease Agreement between the United States Department of Veterans Affairs and the University of California Los Angeles of Certain Real Property and Facilities at the West Los Angeles Campus, in Los Angeles, California Pursuant to the West Los Angeles Leasing Act of 2016 (the "Agreement") dated December 23, 2016, for the year ended December 22, 2017. The Organization is responsible for the compliance with the Agreement. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and results thereof are as follows.

1. We obtained the following from University Management:
 - the UCLA Athletics statement of commitments and expenses relating to the Jackie Robinson Stadium for year ending December 22, 2017, and included it as Exhibit 1
 - detailed listings of monthly lease payments, utility expense payments, and the ancillary expense payments remitted to the U.S. Department of Veterans Affairs (VA) for the year ending December 22, 2017
 - the UCLA general ledger for the year ending December 22, 2017
- a. We compared each expense line in the statement of commitments and expenses (as listed in Exhibit 1) to the sum of the corresponding lines in the detailed listings of expense payments remitted. In making this comparison, we identified a difference between the "Utilities" expense line in the statement of commitments and expenses and the sum of the corresponding lines in the detailed listing of utility expense payments remitted. Per management, the statement disclosed expenses incurred during the period from December 23, 2016 to December 22, 2017, whereas the detailed listings of expense payments remitted included expenses incurred during the 2017 calendar year.

In addition, we compared each expense line in the statement of commitments and expenses to the sum of the corresponding lines in the general ledger. For all differences identified, we obtained a written explanation from management as to the reason for the difference. No comment has been made as to the appropriateness or sufficiency of the explanations obtained.



- b. From the detailed listing of monthly lease payments, we haphazardly selected two (2) monthly lease payments remitted by UCLA to the VA. We obtained from University Management the corresponding rent roll detail and a copy of the check for the monthly payments. On the check, we observed that the payee was the VA, the amount was \$25,000, and the check was dated on before or on the due date per the rent roll. No exceptions were noted.
- c. From the detailed listing of utility expense payments, we selected all payments remitted by UCLA to the VA. We obtained from University Management the annual billing statement sent by the VA to UCLA and a copy of the check for each of the payments. On the check, we observed that the payee was the VA, the amount agreed to the annual billing statement, and the check was dated within sixty days of the invoice date listed on the annual billing statement. No exceptions were noted.
- d. University management stated that the University did not remit any ancillary expense payments to the VA during the period. As such, we did not perform specified procedures with respect to any ancillary expense payments from UCLA to the VA.

2. We obtained the following from University Management:

- the UCLA School of Law Veterans Legal Clinic statement of commitments and expenses for the year ending December 22, 2017, and included it as Exhibit 2
- the University prepared worksheet (reconciliation) for each operating revenue and expense category on the statement
- the UCLA general ledger for the year ending December 22, 2017
- the UCLA general ledger financial journal entries that reflect the total movement of commitments transferred from the Chancellor's account to the account of the UCLA School of Law Veterans Legal Clinic

- a. We compared and agreed the ledger activity ending balance of each expense line in the University prepared worksheet (reconciliation) to the sum of the corresponding lines in the general ledger. No exceptions were noted. In addition, we compared and agreed each expense line in the statement of commitments and expenses (as listed in Exhibit 2) to the corresponding ending balance adjusted for payroll accruals (payroll accruals included prorated December payroll entries per the general ledger as of 12/22/17) in the University prepared worksheet. No exceptions were noted.

Using the UCLA general ledger financial journal entries that reflect the total movement of commitments transferred from the Chancellor's account to the account of the UCLA School of Law Veterans Legal Clinic, we compared and agreed the sum of the entries to the Total Commitments amount in the statement of commitments and expenses (as listed in Exhibit 2). No exceptions were noted.



- b. The total movement of commitments transferred from the Chancellor's account to the account of the UCLA School of Law Veterans Legal Clinic as reflected within the UCLA general ledger financial journal entries was less than \$400,000. We obtained a written explanation from management as to why the amount transferred was less than \$400,000. No comment has been made as to the appropriateness or sufficiency of the explanation obtained.
3. On July 19, 2018, we visited the West LA VA Campus at 11301 Wilshire Blvd, Los Angeles, CA 90073. We observed that there is a building at the location with a posted address of '11301 Wilshire Blvd.' and a sign stating 'UCLA Veterans Legal Clinic'.

No exceptions were noted as a result of performing these procedures.

4. We obtained the following from University Management:
 - the UCLA VA Veteran Family Wellness Center statement of commitments and expenses for the year ending December 22, 2017, and included it as Exhibit 3
 - the University prepared worksheets (reconciliations) for each operating revenue and expense category on the statement
 - the UCLA general ledger for the year ending December 22, 2017
 - the UCLA general ledger financial journal entries that reflect the total movement of commitments transferred from the Chancellor's account to the account of the UCLA VA Veteran Family Wellness Center
- a. We compared and agreed the ledger activity ending balance of each expense line in the University prepared worksheet (reconciliation) to the sum of the corresponding lines in the general ledger. No exceptions were noted. In addition, we agreed each expenses line in the statement of commitments and expenses (as listed in Exhibit 3) to the corresponding ending balance adjusted for payroll accruals (payroll accruals included prorated December payroll entries per the general ledger as of 12/22/17) in the University prepared worksheet. No exceptions were noted.

Using the UCLA general ledger financial journal entries that reflect the total movement of commitments transferred from the Chancellor's account to the account of the UCLA VA Veteran Family Wellness Center, we compared and agreed the sum of the entries to the Total Commitments amount in the statement of commitments and expenses (as listed in Exhibit 3). No exceptions were noted.

- b. The total movement of commitments transferred from the Chancellor's account to the account for the UCLA VA Veteran Family Wellness Center as reflected in the UCLA general ledger financial journal entries was less than \$500,000. We obtained a written explanation from management as to why the amount transferred was less than \$500,000. No comment has been made as to the appropriateness or sufficiency of the explanations obtained.



5. University management has stated that the VA UCLA Center of Excellence for Training and Research in Veteran Homelessness and Recovery did not commence operations in the first year of the lease agreement, year ending December 22, 2017. As such, we did not perform the specified procedures and did not include Exhibit 4 within this report.

6. On July 19, 2018, we visited the West LA VA Campus at 11301 Wilshire Blvd, Los Angeles, CA 90073. We observed there that is a building at the location with a posted address of '11301 Wilshire Blvd.' and a sign stating 'UCLA VA Veteran Family Wellness Center'.

No exceptions were noted as a result of performing these procedures.

7. We obtained from University Management statements of in-kind contributions provided by UCLA to the West LA VA Campus for the year ending December 22, 2017 for each of the following UCLA departments:
 - UCLA Athletics
 - UCLA Semel Institute
 - UCLA Campus Life
 - UCLA School of Law

- a. We obtained detailed listings of all in-kind contributions provided by UCLA to the West LA VA Campus for each of the four departments listed above. We recalculated the mathematical accuracy of the detailed listing by summing all amounts. We compared and agreed the total dollar amount from each of the four the detailed listings to the corresponding amount in each of the four statements of in-kind contributions provided by UCLA to the West LA VA Campus. No exceptions were noted.

- b. Per University management, there were 16 categories of in kind contributions from each of the four department listed above, as such the following procedures were performed:

From the detailed listing of in-kind contributions, haphazardly selected two to seven (2-7) categories of expenses from each of the four departments listed above for a total of sixteen (16) categories. From the details of each of the 16 categories selected, we selected one (1) transaction and obtained supporting documentation from University Management. We compared and agreed the dollar amount and the payee from the supporting documentation to the detailed listing, and we observed the supporting documentation date was within the year ending December 22, 2017. No exceptions were noted.

- c. Using the statements for all four departments listed above, we recalculated the total of each statement by summing the total dollar value of in-kind contributions provided by UCLA to the West LA VA Campus for the year ending December 22, 2017. The total



aggregate value of in-kind contributions provided by UCLA to the West LA VA Campus for all four departments was greater than \$200,000 for the year ending December 22, 2017.

8. On July 19, 2018, we visited the West LA VA Campus at 11301 Wilshire Blvd, Los Angeles, CA 90073. We counted the number of parking spots in “Parking Lot No. 29” (as shown on the “VA - West Los Angeles Campus Map” included as Exhibit 5, which is from the following VA web link as of July 12, 2018 “<https://www.losangeles.va.gov/locations/directions.asp>”) and it did not exceed 500 parking spots.

As a result of performing this procedure, the total number of parking spots counted in “Parking Lot No. 29” was 250 which is less than the 500 spots as required per the lease agreement and is an exception.

9. We obtained the following from University Management:
 - survey from management to obtain feedback and input on UCLA’s obligations under the lease
 - addressee listing with the addressee names and addresses for each intended survey recipient
 - transmittal letter describing the purpose of the survey and response instructions

The addressee listing referenced above included the following addressees – Congressman Ted Lieu, Senator Diane Feinstein, Senator Kamala Harris, Vets Advocacy contact (Jesse Creed), VA Greater Los Angeles Health System (VAGLAHS) contacts (Ann Brown, Heidi Marston, and Meghan Flanz), Los Angeles Region Community Veteran Engagement Board and Veteran Service Organizations contacts (Larry Van Kuran, Steve Peck, Gayle Ocheltree, Howard Hernandez, Jennifer Hark-Dietz, Kathleen Flanagan, Kim Evans, Michael McDowell, Thom O’Shaughnessy, Molly Ann Woods, Ron Brand, Marcie Polier Swartz, Ricardo Bandini, and Bryan Bandini). However, the listing did not include a mailing address for Thom O’Shaughnessy. The specified procedures below were limited to the remaining addressees on the listing.

- a. Using the addressee listing, we mailed a copy of the transmittal letter, a copy of the survey, and a postage paid return envelope addressed to PwC to each of the intended survey recipients in the addressee listing.
- b. We allowed a minimum of twenty-one (21) days from mailing date for survey responses to be returned. We provided copies of all returned surveys as Exhibit 6 to the report on agreed-upon procedures.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the procedures enumerated in Attachment 1 of the our engagement letter of



July 12, 2018. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the University of California, Los Angeles and the United States Department of Veterans Affairs, and is not intended to be, and should not be, used by anyone other than the specified parties.

PricewaterhouseCoopers LLP

August 14, 2018

Exhibit 1

**UCLA/Veterans Affairs
UCLA Athletics - Jackie Robinson Stadium
Lease and Utility Remittances
Year Ended December 22, 2017**

Annual Remittances	<u>\$308,036</u>
Expenses:	
Total monthly payments (12/23/16-6/22/17)	\$ 150,000
Total monthly payments (6/23/17-12/22/17)	\$ 150,000
Utilities (12/23/16-12/22/17 NET \$12k per lease)	\$ 8,036
	<u>\$308,036</u>
Remittances Available for Future Years	<u><u>\$ -</u></u>

Exhibit 2

**UCLA/Veterans Affairs
UCLA School of Law Veterans Legal Clinic
Commitments and Expenses
Year Ended December 22, 2017**

Commitments:

	<u>Actuals (Derived)</u>
Transfers from Chancellor's Office	270,624
Total Commitments	<u>270,624</u>

Expenses:

Salaries	96,878
Benefits	48,122
Payroll Subtotal*	<u>145,000</u>
Communications	1,799
Consultants/Temp. Services	25,395
Equipment (Non Computer)	8,169
Information Technology	5,786
Material and Supplies	18,358
Operation and Maintenance of Space	29,017
Services	8,946
Travel and Entertainment	2,056
Operating Expenses Subtotal	<u>99,526</u>
Total Expenses	<u>244,526</u>
Commitments Available for Future Years	<u>26,098</u>

* Includes prorated payroll costs through Dec 22, 2017.

Exhibit 3

**UCLA/Veterans Affairs
UCLA Semel Institute - VA Veteran Family Wellness Center
Funding and Expenses**

	<u>Year 1</u> <u>2016-2017</u>
	<u>Actual</u>
	Period Begin: <u>12/23/16</u>
	Period End: <u>12/22/17</u>
<u>FUNDING</u>	
Transfers from Chancellor's Office	\$ 556,168
Other Income	\$ -
Total Funding	<u>\$ 556,168</u>
 <u>Expenses</u>	
Salaries	\$ 154,706
Benefits	\$ 61,427
Payroll Expenses Subtotal	<u>\$ 216,133</u>
Consultants/Temp. Services	\$ 270
Furniture & Fixtures(Non-Inventorial)	\$ 14,978
Information Technology	\$ 1,277
Materials and Supplies	\$ 808
Outgoing Mail	\$ 76
Services	\$ 133
Telephone	\$ 426
Travel and Entertainment	\$ 343
Operating Expenses Subtotal	<u>\$ 18,311</u>
Total Expenses	<u>\$ 234,444</u>
Funding Available for Future Years	<u>\$ 321,724</u>

Exhibit 5



Building	Description	Quad
12	Emergency Generator	8
13	Vacant Storage	8
14	Single Storage (Wadsworth Division)	10
20	Vacant Chapel	11
23	Quarters	10
33	Quarters	8
44	Engineering Shop	6
46	Engineering Shop	6
48	Engineering M&O	6
68	Trolley House	7
90	Duplex Quarters	11
91	Duplex Quarters	11
111	Vacant Gate House (West Gate)	7
113	Animal Research	7
116	Research Lab	7
115	Research Lab	7
116	Outleashed New Directions Homeless Vets	5
117	Research Lab (Former Mortuary)	3
156	Vacant	3
157	Vacant	3
158	Vacant	3
199	Hoover Barracks	3
205	MHC/Vacant	3
206	Mental Health Homestead	5
207	Outleashed Salvation Army	6
208	Mental Health/Voc Rehab Medicine	4
209	Vacant	4
210	Research/MREC (Brunwood)	6
211	Thawker (Brunwood)	3
212	Selection Army	3-8
213	CLG (NHCU) Pod and Dialysis	6
214	Dormitory	7
215	CLG (NHCU)	7
217	Dormitory	7
218	Administration Building	6
220	Dental Research	7
222	Occupational Safety & Health	6
224	Outleashed Laundry	6
226	Outleashed Wadsworth Theater	7-10
231	Grounds Maintenance Equipment	3
233	HAZMAT Building	6
236	Police HQ	6
240	Groceryhouse	6
240	Lath House/ Rehab Medicine	6
246	Day Treatment Center Mental Health	6
257	Mental Health New Directions/Methadone (Brunwood)	5
259	Mental Health Admin	3-5
260	Con Work Therapy	4
264	Vacant	4
276	Vacant (To Be Demolished)	6
292	Water Treatment Plant	8
295	Steam Plant	9
296	Chemical Storage House (Wadsworth Division)	6
297	Supply Warehouse	6
298	Vacant (To Be Demolished)	6
300	Debris	4-5
301	AFCE Union	8
304	Eye Clinic/Polytrauma/Employee Health	13
306	Transportation Offices	8
309	Cafeteria / Post Office	11
307	Single Quarters	11
308	Single Quarters	11
309	Garage	11
310	Garage	11
311	Single Quarters	11
312	Single Quarters	11
314	Oil and Grounds Storage	9
315	CSA Motor Pool	11
318	Single Quarters	11
319	Supply Storage	8
320	Supply Storage	8
325	Horticulture Restrooms	6
326	Horticulture Restrooms	6
327	Horticulture Restrooms	6
328	Golf Club House	2
330	Nursery Garden	6
333	Horticulture Tool Shed	6
334	Golf Course Storage Building	2
336	Baseball Park Restrooms	3
337	Research Animal House	5
339	Baseball Park Build Shell	3
340	Radiation Waste	7
342	Storage - Waste Flammable	7
345	Radiation Therapy	13
346	Research Waste Storage	7
401	Amputation & Mental Health	13
500	Main Hospital	13
501	Chiller Plant for Building 500	13
502	Liquid Oxygen Tank	13
505	Engineering	6
506	VA District Council	7-10
507	M&I Facility	13
508	Laundry	8
509	Recycling Center	6
510	Transportation	6-8
511	Storage	-
512	Bldg Sanitary Workshop	6
513	Horticulture Tool Shed	11
514	Quarters Storage	6
515	Nursery Tool Shed	6
516	Res Therapy Shed	11
517	Garage	11
518	Horticulture Trailer	-
519	Plant Shop Storage	-
520	Horticulture Storage	-
521	Bldg Sanitary	6
522	Single Quarters	10
523	Fisher House	10
763	Welding Shop	8
764	Laundry Annex	8
	Air Force Property	10
	American Red Cross Building	15-16
	Athletic Field	3-4
	Baseball Court	6
	California National Guard Property	12
	Friends of the Garden	6
	Golf Course	6
	Helipad	12
	Information Map	11
	Jacob Robinson Stadium/UCLA Baseball Center	11
	Japanese Garden	2
	Pink Tatum Trunk	13
	The Rose Garden	7
	Transportation Yard	9
	U.S. Army Property	12
	Veter's Garden	6
	West Los Angeles Veterans Home	5

Exhibit 6

UCLA-VA Lease Agreement Pursuant to West Los Angeles Leasing Act 2016

Please rate your level of agreement with the following statements:

		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Do Not Know
1	UCLA School of Law Veterans Legal Clinic provides legal services and expertise that support Veterans on the West LA VA campus.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	UCLA-VA Veteran Family Wellness Center provides family resilience services and expertise that support Veterans on the West LA VA campus and in the region.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	The VA UCLA Center of Excellence for Training and Research in Veteran Homelessness, Substance Abuse, Mental Illness, and Recovery will provide services for Veterans who are homeless or at risk of homelessness and also have mental health and addiction issues.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	UCLA is a responsible partner and collaborates with local Veteran stakeholders.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5 Please provide comment on your knowledge of UCLA programs and recreational activities at the West LA VA campus and whether the programs are serving Veterans on the West LA VA campus:

Not Knowledgeable Enough to Answer

6 Additional Comments

This collaborate will continue to improve the care ~~what~~ Veterans receive at the UCLA campus

Exhibit 6 (continued)

UCLA-VA Lease Agreement Pursuant to West Los Angeles Leasing Act 2016

Please rate your level of agreement with the following statements:

		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Do Not Know
1	UCLA School of Law Veterans Legal Clinic provides legal services and expertise that support Veterans on the West LA VA campus.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	UCLA VA Veteran Family Wellness Center provides family resilience services and expertise that support Veterans on the West LA VA campus and in the region.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	The VA UCLA Center of Excellence for Training and Research in Veteran Homelessness, Substance Abuse, Mental Illness, and Recovery will provide services for Veterans who are homeless or at risk of homelessness and also have mental health and addiction issues.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	UCLA is a responsible partner and collaborates with local Veteran stakeholders.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5 Please provide comment on your knowledge of UCLA programs and recreational activities at the West LA VA campus and whether the programs are serving Veterans on the West LA VA campus:

I have toured these facilities and met the staff; very dedicated. UCLA chancellor speaks of their work often in public and promotes their work.

Not Knowledgeable Enough to Answer

6 Additional Comments