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**Auditee:** Risk Management

**Prepared by:** \_\_\_\_\_

**Audit:** Conflict of Interest as of August 2002

**Reviewed by:** \_\_\_\_\_

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**Program**

<b>Steps to be Performed</b>		<b>Prepared By</b>	<b>Workpaper Reference</b>
1	<p>Obtain a list of those personnel with purchasing capabilities in the system from Information Services. From that list, prepare a list of personnel with primary purchasing responsibilities based on job function and position within the organization. Verify individual positions with various departments as needed.</p> <p>Compare current lists to prior lists to ensure completeness.</p>		
2	<p>Obtain the list of recipients of the last mailing of conflict of interest forms, including all administrators, physicians, and Board Members.</p> <p>Also obtain a list of the current Board Members from Risk Management as well as their current places of employment.</p>		
3	<p>A. Compare recipient list to the list compiled in Step 1 for completeness and accuracy. Determine whether recipient list is compliant with Conflict of Interest Policy for adequate coverage.</p> <p>B. Determine if any Board Members are employed at businesses that are current vendors with SLEH. Document the relationship as well as the year-to-date expenses paid to the vendor.</p>		
4	<p>Review all conflict of interest forms received back from recipients by Risk Management. Document whether a disclaimer or disclosure was indicated. Document all gifts, trips, services, etc. received including</p> <ul style="list-style-type: none"><li>A. what was received</li><li>B. when it was received</li><li>C. from whom it was received</li><li>D. value (estimate if actual value is not available)</li><li>E. the relationship between organization and the vendor</li><li>F. year-to-date expenses paid to the vendor</li></ul>		
5	<p>A. Determine whether gifts, trips, etc. received were allowable per policy.</p> <p>B. Determine whether gifts, trips, etc. received were approved and documented properly prior to acceptance, per policy. Obtain written approval backup from recipient or Risk Management.</p>		

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6	<p>A. Determine whether conflict of interest forms were completed properly by recipient and whether all pertinent information for “full disclosure” was documented as required by policy.</p> <p>B. Determine whether possible conflicts of interest were investigated properly and whether conclusions by executive management were documented for completeness and historical record.</p>		
7	Determine average length of time between mailing of conflict of interest forms and receipt of completed forms.		
8	For all disclosures of conflicts of interest, investigate purchases that may result in a conflict of interest. Include reviewing the employee’s reimbursement file for any reimbursements related to the disclosed company as part of the investigation.		
9	<p>From PeopleSoft AP, generate a query of all vendors in the system. Then from PeopleSoft HR, generate a query of all employees in the system.</p> <p>Combine the two lists into one Excel spreadsheet. Save as a text delimited file on C drive. Using Access, query duplicates from the combined list based on the “Address 1” field. Export results to Excel. Manually review list comparing employee names to vendor names with same address.</p> <ul style="list-style-type: none"><li>◆ If employee also shows as vendor with same address, it’s okay.</li><li>◆ If employee and vendor are different, but share the same address, it’s a concern and should be investigated.</li><li>◆ If multiple employees share same address, it’s okay.</li><li>◆ If multiple vendors with similar names share the same address, it’s okay.</li><li>◆ If multiple vendors with different names share same address, it’s a concern and should be investigated.</li></ul>		
10	Review record retainage procedures for disclosures of conflict of interest to ensure compliance with policy. Determine whether disclosures are maintained and safeguarded properly.		
<b>Conclusion</b>			
11	Prepare the General Memo.		
12	Draft the audit report.		
13	Obtain the approval of the Director of Internal Audit and distribute the draft to pertinent auditees, requesting responses.		

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Steps to be Performed		Prepared By	Workpaper Reference
14	Prepare and distribute final audit report, incorporating auditee responses if applicable.		
15	Review computer files to determine that the files are applicable to this project. Delete any unnecessary files and prepare the Diskette Contents List.		